

THIS PROSPECTUS AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this Prospectus, you are recommended to seek your own independent financial advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom.

This document comprises a prospectus (the "**Prospectus**") relating to Aurora Investment Trust plc (the "**Company**"), in connection with the issue of new ordinary shares of 25 pence each in the capital of the Company (the "**New Shares**") pursuant to a scheme of reconstruction and members' voluntary winding up of Artemis Alpha Trust plc ("**Artemis Alpha**") under section 110 of the Insolvency Act (the "**Scheme**"). This Prospectus has been prepared in accordance with the UK version of the EU Prospectus Regulation ((EU) 2017/1129) which is part of UK law by virtue of the European Union Withdrawal Act 2018, as amended and supplemented from time to time, including, but not limited to, by the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019 (the "**UK Prospectus Regulation**") and the prospectus regulation rules of the Financial Conduct Authority (the "**FCA**") made pursuant to section 73A of FSMA (the "**Prospectus Regulation Rules**").

This Prospectus has been approved by the FCA as the competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the securities that are the subject of this Prospectus. This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the Shares. This Prospectus will be made available to the public in accordance with the Prospectus Regulation Rules by being made available at the Company's website at <https://www.aurorainvestmenttrust.com>.

Applications will be made to the FCA for the New Shares to be admitted to listing on the closed-ended investment funds category of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective, and dealings in the New Shares will commence, on 2 December 2024.

AURORA INVESTMENT TRUST PLC

(A company incorporated in England and Wales with registered number 03300814 and registered as an investment company under section 833 of the Companies Act 2006)

Prospectus relating to the Issue of New Shares pursuant to a scheme of reconstruction and members' voluntary winding up of Artemis Alpha Trust plc under section 110 of the Insolvency Act

**Sponsor and Joint Financial Adviser
DICKSON MINTO ADVISERS LLP**

**Joint Financial Adviser
PANMURE LIBERUM LIMITED**

The Directors of the Company, whose names appear on page 35 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Prospective investors should read the entire Prospectus and, in particular, the section headed "Risk Factors" on pages 12 to 24 of this Prospectus when considering an investment in the Company.

Phoenix Asset Management Partners Limited ("**Phoenix**" or the "**AIFM**") accepts responsibility for the information and opinions contained in: (a) the risk factors set out under the heading "*Risks relating to the investment policy*" in the Risk Factors section of this Prospectus; (b) Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; (c) paragraph 2.1 (*Managerial arrangements*) of Part 3 of this Prospectus; and (d) any other information or opinion related to or attributed to Phoenix or to any of Phoenix's affiliates. To the best of the knowledge of Phoenix, the information contained in those parts of this Prospectus for which it is responsible is in accordance with the facts and those parts of this Prospectus for which it is responsible make no omission likely to affect their import.

Dickson Minto Advisers LLP ("**Dickson Minto Advisers**" or the "**Sponsor**"), which is regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with Admission, the Issue, the Scheme and the other arrangements referred to in this Prospectus. Dickson Minto Advisers will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission, the Issue, the Scheme and the other arrangements referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission, the Issue, the Scheme, the contents of this Prospectus or any transaction or arrangement referred to in this Prospectus. This does not exclude any responsibilities that Dickson Minto Advisers may have under FSMA or the regulatory regime established thereunder.

Apart from the liabilities and responsibilities (if any) that may be imposed on Dickson Minto Advisers by FSMA or the regulatory regime established thereunder, neither Dickson Minto Advisers nor any person affiliated with Dickson Minto Advisers makes any representation or warranty, express or implied, or accepts any responsibility whatsoever for the contents of this Prospectus or for any other statement made or purported to be made by them or on their behalf in connection with the Company, the Shares, Admission, the Issue or any transaction or arrangement referred to in this Prospectus and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Dickson Minto Advisers and its affiliates, to the fullest extent permitted by law, accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise that it or they might otherwise have in respect of the contents of this Prospectus or any other statement made or purported to be made by them or on their behalf in connection with the Company, the Shares, Admission, the Issue, the Scheme or any transaction or arrangement referred to in this Prospectus.

Dickson Minto Advisers and its affiliates may have engaged in transactions with, and provided various financial advisory and other services to, the Company and/or the AIFM for which they would have received customary fees. Dickson Minto Advisers and its affiliates may provide such services to the Company and/or the AIFM and any of their respective affiliates in the future.

The contents of this Prospectus are not to be construed as legal, financial, business, investment or tax advice. Artemis Alpha Shareholders should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, repurchase or other disposal of New Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of New Shares which they might encounter; and (c) the income and other tax consequences that may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for, New Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, the AIFM or Dickson Minto Advisers nor any of their respective representatives is making any representation regarding the legality of an investment in the New Shares.

The New Shares in Aurora Investment Trust plc are only available to Eligible Artemis Alpha Shareholders and are not being offered to Existing Aurora Shareholders (save to the extent an Existing Aurora Shareholder is also an Eligible Artemis Alpha Shareholder) or to the public.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities by any person in any circumstances or jurisdiction in which such offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or Dickson Minto Advisers.

The distribution of this Prospectus and the offer of the New Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been taken, nor will any action be taken, by the Company or Dickson Minto Advisers that would permit an offer of the New Shares or the possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the New Shares) in any jurisdiction where action for that purpose is or may be required, or where doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus (or any other offering materials or publicity relating to the New Shares) comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of the Company, the AIFM, Dickson Minto Advisers or any of their respective affiliates or advisers, accepts any legal responsibility to any person, whether or not a prospective investor, for any such restrictions.

In particular, the New Shares described in this Prospectus have not been, and will not be, registered under the securities laws of any of Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA Member State, or their respective territories or possessions. Accordingly, the New Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold, or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand or the Republic of South Africa or any EEA Member State, or their respective territories or possessions. Persons resident in territories other than the UK should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold, or dispose of the New Shares.

The New Shares are being offered and sold only: (i) outside the United States in “offshore transactions” to non-US Persons (as defined below) pursuant to Regulation S under the US Securities Act of 1933, as amended (the “**US Securities Act**”); and (ii) in the United States to persons that are both “qualified institutional buyers”, as defined in Rule 144A under the US Securities Act (“**QIBs**”) and “qualified purchasers” (“**Qualified Purchasers**”) as defined in Section 2(a)(51) of the US Investment Company Act of 1940, as amended (the “**US Investment Company Act**”), pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Certificate, which can be requested from the Artemis Alpha Registrar by email to operationalsupportteam@linkgroup.co.uk, and returned such certificate to the Company in accordance with the instructions printed thereon. A US Artemis Alpha Shareholder that does not complete and return a valid US Investor Certificate will be deemed to have elected for the Cash Option.

In addition, the Company has not been, and will not be, registered under the US Investment Company Act, and investors in the New Shares will not be entitled to the benefits of the US Investment Company Act. The New Shares have not been and will not be registered under the US Securities Act and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, any “U.S. persons” as defined in Regulation S under the US Securities Act (“**US Persons**”), except pursuant to an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not result in the Company being required to register under the US Investment Company Act. There has not been, and there will not be, any public offer of the New Shares in the United States.

This Prospectus does not address the US federal income tax considerations applicable to an investment in the New Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequences of any such investment.

Neither the US Securities and Exchange Commission (the “**SEC**”) nor any securities regulatory authority of any state or other jurisdiction of the United States has approved or disapproved of the New Shares or passed upon or endorsed the merits of the offering of the New Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The New Shares are also subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. For further information on restrictions on offers, sales and transfers of the New Shares, please refer to the section titled “*Excluded Artemis Alpha Shareholders*” at paragraph 9 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

Copies of this Prospectus will be available on the Company’s website (<https://www.aurorainvestmenttrust.com>) and the National Storage Mechanism of the FCA at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>.

Without limitation, neither the contents of the Company’s or the AIFM’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s or the AIFM’s website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this Prospectus alone.

24 October 2024

CONTENTS

	Page
SUMMARY	5
RISK FACTORS	12
IMPORTANT INFORMATION	25
EXPECTED TIMETABLE	33
ISSUE STATISTICS.....	34
DIRECTORS, AIFM AND OTHER ADVISERS	35
PART 1 – THE COMPANY	36
PART 2 – MARKET OUTLOOK, INVESTMENT STRATEGY AND PORTFOLIO	45
PART 3 – DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY	48
PART 4 – DETAILS OF THE SCHEME AND THE ISSUE	59
PART 5 – FINANCIAL INFORMATION.....	68
PART 6 – UK TAXATION	72
PART 7 – GENERAL INFORMATION	76
PART 8 – DEFINITIONS	95

SUMMARY

INTRODUCTION AND WARNINGS

1. INTRODUCTION

This Prospectus relates to the issue of new ordinary shares of 25 pence each (the “**New Shares**”) in the capital of Aurora Investment Trust plc (the “**Company**”) in connection with a scheme of reconstruction and members’ voluntary winding up of Artemis Alpha Trust plc (“**Artemis Alpha**”) under section 110 of the Insolvency Act (the “**Scheme**”). The ISIN of the New Shares is GB0000633262 and the SEDOL is 0063326. The LEI of the Company is 2138007OUWIZFMAGO575 and its registered office is at 25 Southampton Buildings, London WC2A 1AL.

This Prospectus was approved by the Financial Conduct Authority (the “**FCA**”) in the United Kingdom on 24 October 2024. The head office of the FCA is at 12 Endeavour Square, London E20 1JN (Tel: 020 7066 1000). Contact information for the FCA can be found at <https://www.fca.org.uk/contact>.

Warning

The following summary should be read as an introduction to this Prospectus. Any decision to invest in the New Shares should be based on a consideration of this Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the New Shares.

2. KEY INFORMATION ON THE ISSUER

2.1. Who is the issuer of the securities?

The Company is a public company limited by shares, incorporated in England and Wales under the Companies Act 1985 on 10 January 1997 and is domiciled in the United Kingdom. The Company is registered as an investment company under section 833 of the Companies Act. The Company’s LEI number is 2138007OUWIZFMAGO575. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.

If the Scheme is implemented, as soon as practicable after the Effective Date the Directors intend to change the name of the Company to “Aurora UK Alpha plc”.

The Company is a closed-ended investment company and operates as an investment trust approved by HMRC in accordance with the Corporation Tax Act. The Articles do not provide for any objects of the Company and, accordingly, the Company’s objects are unrestricted. The Company’s current investment objective is to provide shareholders with long-term total returns by investing predominately in a portfolio of UK listed companies. The Company’s investment objective will not change as a result of the Scheme.

The Company has appointed Phoenix Asset Management Partners Limited (“**Phoenix**” or the “**AIFM**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company. Under Phoenix’s value-driven investment philosophy, the Company’s Portfolio will remain relatively concentrated: the exact number of individual holdings will vary over time but, typically, the Portfolio will include core holdings in 15 to 20 companies.

The Company does not have a fixed life but does hold a triennial continuation vote (the “**Continuation Vote**”). The next Continuation Vote is expected to take place at the annual general meeting of the Company to be held in June 2025.

The Directors of the Company are as follows:

- Lucy Walker (*Chair*);
- Farah Buckley;
- Lady Rachael Robathan; and
- David Stevenson.

All the Directors are non-executive and are independent of the AIFM.

As at close of business on 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, other than as set out below, there are no persons known to the Company who, directly or indirectly, are interested in three per cent. or more of the Company’s issued Share capital or voting rights:

Shareholder	Number of Shares	Percentage of issued Share capital (%)
Rothschild Wealth Management	10,570,564	13.86
RBC Brewin Dolphin	6,169,502	8.09
Phoenix Asset Management Partners	5,598,503	7.34
Raymond James Investment Services	4,323,780	5.67
Hargreaves Lansdown	4,314,990	5.66
Interactive Investor	3,926,272	4.32
ING Luxembourg	3,269,468	4.29
1607 Capital Partners	2,812,530	3.69
Columbia Threadneedle Investments	2,425,000	3.18
Pictet & Cie, Luxembourg	2,300,570	3.02

As at close of business on 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, the Company and the Directors are not aware of any person who could, directly or indirectly, jointly or severally, own or exercise control over the Company, or of any arrangement the operation of which may result in a change of control of the Company. There are no different voting rights for any Shareholder.

The Company's statutory auditor is BDO LLP, 55 Baker Street, London W1U 7EU.

2.2. What is the key financial information regarding the issuer?

Selected historical financial information

Selected audited financial information relating to the Company, which summarises the financial condition of the Company for the financial years ended 31 December 2022 and 31 December 2023, and selected unaudited financial information relating to the Company which summarises the financial condition of the Company for the six-month periods ended 30 June 2023 and 30 June 2024, is set out in the following tables.

Information relevant to closed-end funds

Share Class	Net assets (£'000)	No. of Shares (excluding treasury Shares)	Net asset value per Share (GBX)	Historical performance of the fund (GBX)
Ordinary	208,714 as at 31 December 2023 (audited)	76,078,460 as at 31 December 2023 (audited)	274.34 as at 31 December 2023 (audited)	203.45 (Net asset value per Share) as at 31 December 2022 (audited)

Income statement for closed-end funds

	Year ended 31 December 2023			Year ended 31 December 2022			Six months ended 30 June 2024			Six months ended 30 June 2023		
	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)
Gains/(losses) on investments	—	53,535	53,535	—	(40,410)	(40,410)	—	(1,738)	(1,738)	—	18,089	18,089
Losses on currency	—	—	—	—	(17)	(17)	—	(8)	(8)	—	(2)	(2)
Income	3,459	—	3,459	3,117	—	3,117	1,728	—	1,728	1,426	—	1,426
Total income/(loss)	3,459	53,535	56,994	3,117	(40,427)	(37,310)	1,728	(1,746)	(18)	1,426	18,087	19,513
Investment management performance fee (charge)/clawback	—	(2,824)	(2,824)	—	2,746	2,746	—	166	166	—	—	—
Other expenses	(749)	—	(749)	(777)	—	(777)	(466)	—	(466)	(377)	—	(377)
Profit/(loss) before tax	2,710	50,711	53,421	2,340	(37,681)	(35,341)	1,262	(1,580)	(318)	1,049	18,087	19,136
Tax	(49)	—	(49)	(77)	—	(77)	(32)	—	(32)	(25)	—	(25)
Profit/(loss) for the year	2,661	50,711	53,372	2,263	(37,681)	(35,418)	1,230	(1,580)	(350)	1,024	18,087	19,111
Earnings/(losses) per share – basic and diluted	3.50p	66.66p	70.16p	2.95p	(49.20p)	(46.25p)	1.6p	(2.1p)	(0.5p)	1.4p	23.8p	25.1p

Balance sheet for closed-end funds

	Year ended 31 December 2023	Year ended 31 December 2022	Six months ended 30 June 2024	Six months ended 30 June 2023
Net assets (£'000)	208,714	154,778	205,566	171,629
Net asset value per Share (GBX)	274.34	203.45	269.44	225.6

2.3. What are the key risks that are specific to the issuer?

The following are brief descriptions of what the Directors believe, at the time of publication of this Prospectus, to be the key material risks specific to the Company:

Risks relating to the Company

- The Company has no employees and the Directors have been appointed on a non-executive basis. The Company is therefore reliant upon the performance of third party service providers (and their delegates) for its executive functions and is exposed to the risk that misconduct by employees of those service providers and/or their delegates, any failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, any reputational damage suffered by any service provider and/or the termination of those appointments could have an adverse effect on the Company's Portfolio and the Company's financial condition and prospects, with a consequential adverse effect on the market value of the Shares.

Risks relating to the investment policy

- There can be no guarantee that the Company will achieve its investment objective or that investors will get back the full value of their investment. There can be no assurance that the AIFM will continue to be successful when pursuing the Company's investment objective and policy or that it will be able to invest the Company's assets on attractive terms, generate any investment returns for the Company's investors, pay any dividends or avoid investment losses, potentially resulting in negative returns for Shareholders.
- The Company invests primarily in a concentrated Portfolio of UK equities, both in terms of individual holdings and in terms of its exposure to particular industries and asset classes. The Company's returns may, therefore, be adversely affected by the unfavourable performance of particular holdings, sectors, industries or asset classes if they affect the performance or prospects of companies in the Portfolio. This adverse effect may be amplified if more companies in the Portfolio are in, or connected to, the affected sector, industry or asset class. This could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares. In particular, the Company is exposed to economic, regulatory, political, geopolitical, environmental and taxation risks associated with investments in the United Kingdom which could have an adverse effect on the Portfolio, the Company's financial condition and prospects were they to materialise, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.
- The performance of the Company's investments will depend on the AIFM's ability to identify undervalued investment opportunities as well as to assess the import of news and events that may affect the financial markets. The Company may be required to hold investments for a substantial period of time before realising their anticipated value. No assurance can be given that the AIFM will be able to identify suitable investment opportunities in which to deploy the Company's assets. To the extent that there is a delay in making investments, the Company's returns may be reduced.
- The investments of the Company are subject to general economic and market conditions (including interest and inflation rates, currency exchange rates and national and international political circumstances), as well as the risk of changes in market prices and/or macroeconomic factors, particularly those that impact the United Kingdom. Any such changes could have an adverse effect on the value of the Portfolio, the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.
- The Company invests a portion of the Portfolio in medium and smaller capitalised companies. These medium and smaller capitalised companies do not necessarily have the financial strength, operating history, diversity of business lines and/or resources of large-cap companies and, as a result, may be at risk of long-term or permanent business setbacks. Such companies may also find it more difficult to operate in periods of economic slowdown, recession or turmoil and to maintain their dividends.
- The Company has, and may in the future have, exposure to investments in unlisted private companies through its holding in Castelnau Group Limited ("**Castelnau**"), a multi-sector financial holding company listed on the Specialist Fund Segment of the London Stock Exchange that is managed by Phoenix. There may not be a liquid market for the unlisted private company shares and/or other securities that Castelnau holds, or in Castelnau's own securities. It may, therefore, be difficult for the Company to realise its investment in Castelnau, and for Castelnau to realise the investments it holds in unlisted private companies which may adversely impact the Company's Net Asset Value and/or the market price of the Shares, and the returns generated for Shareholders. In addition, the values of unlisted investments are often more difficult to determine than the value of investments in listed companies. Valuations of the unlisted investments may be based on unaudited information and may be subject to limited verification or other due diligence. The valuations may also be more volatile and subject to more performance uncertainties and liquidity risk. If the realised value of an unlisted investment or other asset held by Castelnau is less than its valuation, this may have a material adverse effect on Shareholder returns.
- The due diligence and ongoing review process that the AIFM undertakes in evaluating the Company's investments may not reveal all facts that may be relevant in connection with such investments. Any failure by the AIFM to perform effective due diligence on potential investments may adversely affect the investment returns expected from a particular investment. Any failure by the AIFM to conduct an effective ongoing review of the Portfolio could have a similar adverse effect on the returns generated by investments in the Portfolio.

- There can be no guarantee that the Company will maintain its current dividend level or pay any dividend at all. The Company does not have a fixed dividend policy and the distribution of income is dependent on, among other things, the performance of the Company's investments and the availability of distributable profits in accordance with UK company law. Any inability to pay an annual dividend to Shareholders may have an adverse effect on the liquidity and market value of the Shares.

Risks relating to the AIFM

- The success of the Company is dependent on the AIFM's expertise, key personnel (including Gary Channon, Phoenix's Chief Investment Officer and the lead portfolio manager) and ability to source and advise appropriately on investments. As a result, the Portfolio, financial condition, results of operations, prospects and the value of the Shares could be adversely affected by: (i) competitive pressures on the AIFM or the AIFM's ability to source and make successful investments; and (ii) any loss of key personnel (particularly the lead portfolio manager) of the AIFM and any inability to recruit appropriate replacements in a timely fashion.

Risks relating to regulation, taxation and the Company's operating environment

- The Company is subject to various political, economic and other risks (such as war, acts of terrorism, changes to any given country's (and particularly the United Kingdom's) political leadership or significant economic downturns affecting global or more domestic markets) that may impact the economic conditions in which the Company and companies in the Portfolio operate and may adversely impact global financial markets and, consequently, the Company's performance.
- Any failure by the Company to maintain HMRC approval as an investment trust or changes in taxation legislation or practice in the United Kingdom or other jurisdictions to which the Company has exposure (including the jurisdictions in which companies in the Portfolio are based) may adversely affect the Company and the tax treatment for Shareholders investing in the Company.
- Changes in laws or regulations governing the Company's and/or the AIFM's operations may have an adverse effect on the ability of the Company and/or the AIFM to carry on their respective businesses and any such changes could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on the market value of the Shares.

3. KEY INFORMATION ON THE SECURITIES

3.1. What are the main features of the securities?

The New Shares are ordinary shares with a nominal value of 25 pence each and are denominated in Sterling. The ISIN of the New Shares is GB0000633262 and the SEDOL number is 0063326. The ticker code is ARR. The issue price of the New Shares will be determined on the Calculation Date and will be released by way of an RIS announcement on or around 29 November 2024.

As at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, the issued Share capital of the Company comprised 76,292,724 fully paid Shares. No Shares were held in treasury.

The New Shares will rank *pari passu* in all respects (including voting rights) with each other and the existing issued Shares (other than in respect of dividends or other distributions declared, made or paid on the existing Shares prior to the date of the issue of the New Shares). In summary, the rights attaching to the Shares are:

<i>Dividend</i>	The holders of Shares are entitled to such dividends as may be declared by the Company from time to time. Shares held in treasury do not receive dividends.
<i>Capital</i>	On a winding up, the Shares (excluding Shares held in treasury) shall rank equally for the nominal capital paid up thereon and in respect of any surplus.
<i>Voting</i>	Holders of Shares are entitled to attend, speak and vote at general meetings of the Company. Each Share (excluding Shares held in treasury) carries one vote. Shares held in treasury do not carry voting rights.

Restrictions on the free transferability of Shares

Subject to the terms of the Articles and applicable securities laws, there are no restrictions on the transferability of the Shares.

Dividend policy

The Company does not have a fixed dividend policy. However, the Board expects to distribute substantially all of the net revenue arising from the Portfolio. Accordingly, the Company is expected to pay a single annual dividend in respect of each financial year (usually payable in June each year) that may vary. The Company paid a final dividend of 3.45 pence per Share on 20 June 2024 in respect of the financial year ended 31 December 2023. However, in the light of the Scheme, the Board has decided to pay an interim dividend of 3.00 pence per Share in respect of the period to 30 September 2024 which is expected to be paid on 6 December 2024 to Shareholders on the Register as at close of business on 1 November 2024 (the "**Aurora Interim Dividend**"). Shares will go ex-dividend on 31 October 2024, and the last day for elections under the dividend re-investment plan operated by the Registrar will be 15 November 2024. The Aurora Interim Dividend is being paid so as to ensure that Existing Aurora Shareholders do not suffer a dilution to the level of income that would be distributed in respect of the period from 31 December 2023 to 30 September 2024 as a result of the Scheme. Artemis Alpha Shareholders receiving New

Shares in connection with the Scheme will not be entitled to receive the Aurora Interim Dividend in respect of their New Shares. However, such Artemis Alpha Shareholders will be entitled to participate in any dividends declared by the Company with a record date after the date of the issue of New Shares to them.

The Company conducts its business so as to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the Investment Trust Tax Regulations, the Company does not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

3.2. Where will the securities be traded?

Applications will be made to the FCA for the New Shares to be admitted to listing on the closed-ended investment funds category of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. It is expected that such admissions will become effective, and dealings in the New Shares will commence, on 2 December 2024.

3.3. What are the key risks specific to the securities?

The following is a brief description of what the Directors believe, at the time of publication of this Prospectus, to be the key material risks specific to an investment in the Shares:

- The market price of the Shares may not reflect the value of the underlying investments of the Company and may be subject to wide fluctuations in response to many factors. The market value of the Shares may therefore vary considerably from the Company's underlying NAV. In particular, it is possible that the Shares could trade at a value materially below their NAV for a prolonged period of time and there can be no assurance, express or implied, that Shareholders will receive back the amount of their investment in the Shares.
- It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares, and Shareholders have no right to have their Shares redeemed or repurchased by the Company.

4. KEY INFORMATION ON THE OFFER

4.1. Under which conditions and timetable can I invest in this security?

Terms and conditions

The New Shares being issued pursuant to the Issue are only available to Eligible Artemis Alpha Shareholders, pursuant to the terms of a scheme of reconstruction and members' voluntary winding up of Artemis Alpha under section 110 of the Insolvency Act.

The Issue is conditional on, amongst other things:

- (a) the passing of the Artemis Alpha Resolutions to be proposed at the First Artemis Alpha General Meeting and the Second Artemis Alpha General Meeting, or any adjournment of those meetings, and such Artemis Alpha Resolutions becoming unconditional in all respects (including the Transfer Agreement becoming unconditional in all respects);
- (b) the passing of the Resolution to approve the issue of the New Shares at the General Meeting and such Resolution becoming unconditional in all respects;
- (c) the FCA agreeing to admit the New Shares to listing on the Official List and the London Stock Exchange agreeing to admit the New Shares to trading on its Main Market, subject only to allotment; and
- (d) the Directors and the Artemis Alpha Directors resolving to proceed with the Scheme.

If any of the above conditions are not satisfied by 31 March 2025, unless such date is extended by mutual agreement between the Company and Artemis Alpha, the Scheme will not become effective and no New Shares will be issued to Eligible Artemis Alpha Shareholders pursuant to the Scheme.

4.2. Expected timetable

2024

General Meeting

Publication of the Circular and Notice of General Meeting	24 October
Latest time and date for receipt of Forms of Proxy and appointment of proxies by electronic means for the General Meeting	10.30 a.m. on 20 November
Record date for the General Meeting	6.00 p.m. on 20 November
General Meeting	10.30 a.m. on 22 November
Announcement of results of the General Meeting	22 November

Aurora Interim Dividend

Ex-dividend date for the Aurora Interim Dividend	31 October
Record date for the Aurora Interim Dividend	1 November
Last day for dividend re-investment plan elections in respect of the Aurora Interim Dividend	15 November
Date of payment for the Aurora Interim Dividend	6 December

Scheme

Publication of this Prospectus	24 October
First Artemis Alpha General Meeting	2.00 p.m. on 19 November
Record Date	6.00 p.m. on 19 November
Artemis Alpha Shares disabled in CREST (for settlement)	close of business on 19 November
Calculation Date	close of business on 22 November
Reclassification of Artemis Alpha Shares	8.00 a.m. on 28 November
Suspension of listing of reclassified Artemis Alpha Shares	7.30 a.m. on 29 November
Second Artemis Alpha General Meeting	9.00 a.m. on 29 November
Effective Date for implementation of the Scheme	29 November
Announcement of results of the Artemis Alpha Shareholder elections, the ATS Rollover FAV per Share, the ATS Cash Pool FAV per Share and the Aurora FAV per Share	29 November
Admission and dealings in New Shares commences	8.00 a.m. on 2 December
CREST Accounts credited in respect of New Shares in uncertificated form	as soon as is reasonably practicable on 2 December
Share certificates in respect of New Shares held in certificated form despatched by post	by no later than 10 Business Days from the Effective Date
Cancellation of listing of reclassified Artemis Alpha Shares	as soon as practicable after the Effective Date

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

Details of Admission

The Shares are currently listed on the closed-ended investment funds category of the Official List of the FCA and traded on the Main Market. Applications will be made to the FCA for the New Shares to be admitted to the closed-ended investment funds category of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. If the Scheme becomes effective, it is expected that the New Shares will be admitted to the Official List and dealings in the New Shares will commence on the Main Market, on 2 December 2024.

Distribution

The Company will notify Artemis Alpha Shareholders of the number of New Shares to which each Eligible Artemis Alpha Shareholder is entitled and the results of the Issue will be announced by the Company on or around 29 November 2024 via an RIS announcement.

The New Shares will be available to be issued in either certificated form or uncertificated form. Where applicable, share certificates are expected to be dispatched by post by no later than 10 Business Days from the Effective Date.

Dilution

Unless they also hold Artemis Alpha Shares at the Record Date, Existing Aurora Shareholders are not able to participate in the Issue and will experience a dilution to the percentage of the issued Share capital that their current holding represents based on the actual number of New Shares issued under the Scheme.

For illustrative purposes only, if 37,691,748 New Shares were to be issued (being the estimated number of New Shares that will be issued pursuant to the Issue, assuming there are no Dissenting Artemis Alpha Shareholders, that 25 per cent. of the total Artemis Alpha Shares are elected for the Cash Option and that the ratio between the ATS Rollover FAV per Share and the Aurora FAV per Share was 1.536253) then, based on the issued Share capital of the Company as at 21 October 2024, and assuming that: (i) an Existing Aurora Shareholder is not an Eligible Artemis Alpha Shareholder and is therefore not able to participate in the Issue; and (ii) there had been no change to the Company's issued Share capital prior to Admission, an Existing Aurora Shareholder holding 1.0 per cent. of the Company's issued Share capital as at 21 October 2024 would then hold approximately 0.67 per cent. of the Enlarged Company's issued share capital immediately following Admission. If no Artemis Alpha Shares were elected, or deemed elected, for the Cash Option but the assumptions above were otherwise to remain the same, 49,820,858 New Shares would be issued under the Scheme and an Existing Aurora Shareholder holding 1.0 per cent. of the Company's issued share capital as at 21 October 2024 would then hold approximately 0.60 per cent. of the Enlarged Company's issued share capital immediately following Admission.

Expenses of the Scheme and Issue

Save as noted below, each of the Company and Artemis Alpha will bear its own costs in respect of the Proposals irrespective of whether the Proposals proceed. The direct fixed costs incurred (or to be incurred) by the Company in implementing the Proposals primarily comprise financial advisory fees, legal fees, other professional advisory fees, printing costs and other applicable expenses, in each case including any related VAT and disbursements (the **"Company Fixed Implementation Costs"**). The Company Fixed Implementation Costs are estimated to be approximately £536,976 (including irrecoverable VAT), equivalent to 0.25 per cent. of the Company's Net Asset Value as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus. The Company Fixed Implementation Costs will be mitigated by the Phoenix Costs Contribution, as set out below.

Any costs of the realignment and/or realisation of the Artemis Alpha Portfolio prior to the Scheme becoming effective will be borne by Artemis Alpha. Any (i) sales or acquisition costs (including any commissions, taxes (including stamp duty), transaction charges and/or market charges) associated with the transfer of the Rollover Pool from Artemis Alpha to the Company, or the deployment of the cash therein upon receipt; and (ii) London Stock Exchange admission fees payable in respect of the admission of the New Shares to trading on the Main Market, will be borne by the Enlarged Company and will not be reflected in the ATS Rollover FAV or the Aurora FAV.

Phoenix has agreed to make a contribution of an amount equal to £750,000 towards the direct fixed costs to be incurred by the Company and Artemis Alpha in connection with the Proposals (the **"Phoenix Costs Contribution"**). The Phoenix Costs Contribution will be allocated first to pay the Company Fixed Implementation Costs up to a cap of £500,000 (with such amount being credited to the Aurora FAV), with the balance of the Phoenix Costs Contribution (being at least £250,000) allocated to pay Artemis Alpha's direct fixed costs in connection with the Proposals (with such amount being credited to the ATS Residual Net Asset Value). The exact allocation of the benefit of the Phoenix Costs Contribution between the Company and Artemis Alpha will be calculated as at the Calculation Date and reflected in the calculation of the ATS Rollover FAV and the Aurora FAV accordingly.

The Phoenix Costs Contribution will be effected through a waiver of the performance fees that would otherwise be payable by the Company to Phoenix, up to the financial value of £750,000, in respect of each of the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026 (the **"Relevant Periods"**). In the event that the aggregate performance fees payable in respect of the Relevant Periods is less than £750,000, Phoenix will satisfy any shortfall by transferring Shares it holds to the Enlarged Company or in cash (in either case net of any costs of making such transfer or payment and without the Enlarged Company making any payment to Phoenix). For the avoidance of doubt, any Shares transferred in settlement of any shortfall in the Phoenix Cost Contribution would be in addition to any Shares that may or may not be transferred by Phoenix to the Enlarged Company under the clawback element of the performance fee methodology.

The Phoenix Costs Contribution is subject to a clawback provision such that, in the event of the termination of Phoenix's appointment as AIFM and investment manager to the Enlarged Company on a no-fault basis: (i) on or prior to 31 December 2025, Phoenix will be entitled to claim back 100 per cent. of the Phoenix Costs Contribution; and (ii) between 1 January 2026 and 31 December 2026 (inclusive), 50 per cent. of the Phoenix Costs Contribution.

For the avoidance of doubt, in the event that implementation of the Scheme does not proceed, each party will bear its own costs and the Phoenix Costs Contribution will not be payable.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

4.3. Why is the Prospectus being produced?

The New Shares are being issued to Eligible Artemis Alpha Shareholders, and to the Liquidators appointed in respect of Excluded Artemis Alpha Shareholders, in consideration for the transfer of the Rollover Pool to the Company in connection with the recommended proposals to combine the Company and Artemis Alpha, pursuant to a scheme of reconstruction and members' voluntary winding up of Artemis Alpha under section 110 of the Insolvency Act. The Rollover Pool will consist of investments aligned with the Company's investment objective and policy as at the Effective Date, together with cash and cash equivalents. Any cash in the Rollover Pool, and any proceeds of the realisation of cash equivalents in the Rollover pool, will be used to acquire investments in accordance with the Company's investment policy.

The Issue will not be underwritten.

There are no conflicts of interest that are material to the Issue or the Admission.

RISK FACTORS

An investment in the Shares carries a number of risks including the risk that the entire investment may be lost. In addition to all other information set out in this Prospectus, the following specific factors should be considered when deciding whether to make an investment in, or otherwise acquire, the Shares. The risks set out below are those which are considered to be the material risks relating to an investment in the Shares as at the date of this Prospectus but are not the only risks relating to the Shares or the Company. No assurance can be given that Shareholders will realise profit on, or recover the value of, their investment in the Shares, or that the Company will achieve any of its target returns. It should be remembered that the price of securities, and the income from them, can go down as well as up.

The success of the Company will depend on the ability of the AIFM to pursue the investment policy of the Company successfully and on broader market conditions and the risk factors set out below.

Artemis Alpha Shareholders should note that the risks relating to the Company, its investment policy and strategy and the Shares summarised in the section of this Prospectus headed “*Summary*” are the risks that the Directors believe to be the most essential to an assessment by an Artemis Alpha Shareholder of whether to consider an investment in the Shares. However, as the risks that the Company faces relate to events and depend on circumstances that may or may not occur in the future, Artemis Alpha Shareholders should consider not only the information on the key risks summarised in the section of this Prospectus headed “*Summary*” but also, among other things, the risks and uncertainties described in this “*Risk Factors*” section of this Prospectus. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of this Prospectus may also have a material adverse effect on the Company’s financial condition, business and prospects and, consequently, the Company’s NAV and/or the market price of the Shares.

Potential investors in the Shares should review this Prospectus carefully and in its entirety and consult with their professional advisers before acquiring/receiving the Shares.

RISKS RELATING TO THE COMPANY

The Company has no employees and is reliant on the performance of third-party service providers.

The Company has no employees and the Directors have been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third-party service providers (and their delegates) for its executive functions. In particular, the AIFM, the Company Secretary, the Registrar and the Depositary (and, where appropriate, their delegates) will be performing services that are integral to the operation of the Company. Misconduct by employees of those service providers and/or their delegates, any failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, any reputational damage suffered by any service provider and/or the termination of those appointments could have an adverse effect on the Portfolio and the Company’s financial condition and prospects, with a consequential adverse effect on the market value of the Shares.

Similarly, the AIFM is reliant on third-party service providers and a failure of any of these service providers to fulfil their obligations could materially affect the AIFM’s ability to meet its obligations to the Company, which would, in turn affect the ability of the Company to meet its investment objective and potentially have an adverse impact on returns to Shareholders and/or the market value of the Shares.

In the event that it is necessary for the Company or the AIFM to replace any third-party service provider it may be that the transition process takes time, increases costs and adversely impacts the AIFM’s operations and/or the Company’s investments and/or performance.

Shareholders are provided with the opportunity to vote on the continuation of the Company every three years.

The Continuation Vote is held on a triennial basis in order to provide an opportunity for Shareholders to indicate whether they want the Company to continue its operations. If the Continuation Vote is not passed, the Directors would take action to initiate the winding-down of the Company which would prevent the Company from making any new investments and this may impair the ability of the Company to generate investment returns, resulting in an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on, and uncertainty in relation to the value of, returns to Shareholders and an adverse effect on the market value of the Shares and their liquidity. In such circumstance, the Board may make proposals for a reconstruction or winding up of the Company in order to enable Shareholders to realise all or part of their investment in the Company for cash at a value close to the prevailing NAV per Share over a shorter timescale than a managed wind-down of the Company, or roll-over all or part of their investment into another investment vehicle. However, there can be no guarantee that the Board would be able to make any such proposals or that any proposals, if made, would enable Shareholders to realise all or part of their investment in the Company for cash at a value close to the prevailing NAV per Share or at all, or that Shareholders would pass the resolutions required to implement any such proposals if made. In such circumstances, Shareholders would not have an opportunity to make an immediate realisation of all or part of their investment in the Company for cash at a value close to the prevailing NAV per Share or at all, and this may negatively impact upon the liquidity in, and market value of, the Shares.

RISKS RELATING TO THE INVESTMENT OBJECTIVE AND POLICY

There can be no guarantee that the Company will achieve its investment objective or that investors will get back the full value of their investment.

The success of the Company is dependent on the continued ability of the AIFM to pursue the Company's investment objective and policy successfully. There can be no assurance that the AIFM will continue to be successful when pursuing the Company's investment objective and policy or that the AIFM will be able to invest the Company's assets on attractive terms, generate any investment returns for the Company's investors, pay a dividend or avoid investment losses, potentially resulting in negative returns for Shareholders. In the event that the Company does not achieve its investment objective, the price of the Shares may fall and Shareholders may not get back the full value of their original investment, and Shareholders may experience difficulty in selling or otherwise realising their shares.

The Company invests in a concentrated portfolio of investments and its Portfolio may be adversely affected by poor performance of individual holdings or of a particular sector, industry or asset class.

The Company invests in a concentrated portfolio of investments, both in terms of individual holdings and in terms of its exposure to particular industries and asset classes. The Company's returns may, therefore, be adversely affected by the unfavourable performance of particular holdings, sectors, industries or asset classes if they affect the performance or prospects of companies in the Portfolio. This adverse effect may be amplified if more companies in the Portfolio are in, or connected to, the affected sector, industry or asset class (in other words, if the Portfolio has a greater concentration of investments in any affected sector, industry or asset class). This could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares. Moreover, in the light of its concentrated portfolio of investments, the Company's portfolio will not mirror the stocks and weightings that constitute any particular index, including the Benchmark Index. The market price and Net Asset Value per the Shares may, therefore, fail to follow either the direction or the extent of general moves in the financial markets, including the movements of the Benchmark Index, and any financial return received by Shareholders in respect of their Shares will be uncorrelated to, and may underperform relative to, the Benchmark Index and other indices, which may have an adverse effect on returns to Shareholders and/or the liquidity of the Shares.

The investments of the Company are subject to the risk of changes in market prices and/or macroeconomic factors.

The Company is dependent upon the AIFM's successful implementation of the Company's investment policy and ultimately on the AIFM's ability to create an investment portfolio capable of generating

attractive returns. The Company is at risk from the investment strategy implemented by the AIFM failing as a result of changes in market prices and/or macroeconomic factors. The Company predominately invests in the securities of UK companies and it will therefore be particularly influenced by changes in market practices and/or macroeconomic factors in the UK. However, the Company is also permitted to invest a proportion of its gross assets in overseas markets so the Company will be influenced by changes in market practices and/or macroeconomic factors in any other regions in which it invests, the performance of other currencies relative to Sterling as well as changes that impact the global economy more generally. Whilst the Company will hold a diversified Portfolio, there are certain general market conditions in which any investment strategy is unlikely to be profitable. The AIFM does not have the ability to control or predict such market conditions, and downward movements in the value of the investments held by the Company will adversely affect the Company's financial performance.

General economic and market conditions, such as currency exchange rates, interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances may affect the price level, volatility and liquidity of securities and result in losses for the Company. In particular, rising inflation has led central banks to increase interest rates and created volatility in global stock markets. This could have an adverse effect on the value of the Portfolio, the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

Other external factors, including those resulting from war or conflict (in particular, the current war in Ukraine, conflict in the Middle East and any potential future conflict), tensions between nations, incidents of terrorism, major environmental events, pandemics, or responses to such events (such as COVID-19 policies adopted globally that dampened economic activity and impacted global supply chains) could also have an adverse effect on the value of the Portfolio, the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares. In particular, it is unclear what impact the forthcoming 2024 US elections may have on United States and global equity markets, and therefore the value of the Portfolio and the market value of the Shares.

Given that the Company invests predominately in listed or quoted securities, the Company's NAV is inherently sensitive to the performance of world stock markets. If world stock markets experience volatility and disruption, the Company's NAV could also become volatile and it is likely that the Shares will trade at a discount to the NAV. While the Company has the ability to provide liquidity in the form of Share buybacks when the Shares trade at a discount to the NAV, the fact of the Shares trading at a discount to the NAV could make the Shares less liquid and more difficult to sell.

The performance of the Company's investments will depend on the AIFM's ability to identify undervalued investment opportunities as well as to assess the import of news and events that may affect the financial markets.

The performance of the Company's investments will depend on the AIFM's ability to identify undervalued investment opportunities as well as to assess the import of news and events that may affect the financial markets. The Company may be required to hold investments for a substantial period of time before realising their anticipated value. No assurance can be given that the AIFM will be able to identify suitable investment opportunities in which to deploy the Company's assets. To the extent that there is a delay in making investments, the Company's returns may be reduced.

There are a number of risks inherent in the Company's investment policy and strategy. Price movements of the underlying investments may be volatile and are affected by a wide variety of factors including changing supply and demand relationships, corporate mergers and acquisition activity, capital raisings and credit spread fluctuations, interest rate and exchange rate fluctuations, international events and government policies. These price movements could result in significant losses for the Company and therefore the value of the Portfolio and the market value of the Shares.

The due diligence process that the AIFM undertakes in evaluating the Company's investments may not reveal all facts that may be relevant in connection with such investments

Before making investments in accordance with the Company's investment policy, the AIFM conducts such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. There can be no assurance that due diligence investigations with

respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating that investment opportunity.

The investments in the Portfolio are also subject to ongoing review by the AIFM. There can similarly be no assurance that such ongoing review will reveal or highlight all relevant facts that may be necessary or helpful in evaluating the best course of action to take in respect of individual investments within the Portfolio or the Portfolio as a whole.

Any failure by the AIFM to identify relevant facts through the due diligence and ongoing review processes may lead to inappropriate investment decisions being made, or investments being made at a higher value than their fair value, which could have an adverse effect on the value of the Portfolio and the Company's financial condition, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company invests in small and medium-cap companies.

The Company invests a portion of the Portfolio in small and medium-cap companies. Such companies do not necessarily have the financial strength, diversity and resources of large-cap companies and, as a result, they may find it more difficult to operate in periods of economic slowdown, recession or turmoil and to maintain their dividends. In addition, the capitalisation of such companies could make the market in their shares less liquid and, as a consequence, the Company may be unable to liquidate all or a portion of its positions in such securities in a timely manner. Furthermore, the market prices of such companies can be more volatile and the Company may not be able to realise what it perceives to be their fair value in the event of a sale.

All of these factors may have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company is, and may continue to be, exposed to the risks associated with investing in unlisted securities

The Company has, and may in the future have, exposure to investments in unlisted private companies through its holding in Castelnau and/or as a result of the transfer of certain of the Unquoted Holdings to the Company pursuant to the Scheme. There may not be a liquid market for the unlisted private company shares and/or other securities that Castelnau holds, or in Castelnau's own securities, or in such Unquoted Holdings. It may, therefore, be difficult for the Company to realise its investment in Castelnau and/or any of the Unquoted Holdings, and for Castelnau to realise the investments it holds in unlisted private companies which may adversely impact the Company's Net Asset Value and/or the market price of the Shares, and the returns generated for Shareholders. In addition, the values of unlisted investments are often more difficult to determine than the value of investments in listed companies. Valuations of the unlisted investments may be based on unaudited information and may be subject to limited verification or other due diligence. The valuations may also be more volatile and subject to more performance uncertainties and liquidity risk. If the realised value of any of the Unquoted Holdings or an unlisted investment or other asset held by Castelnau is less than its valuation, this may have a material adverse effect on Shareholder returns.

There can be no guarantee that the Company will maintain its current dividend level or pay any dividend at all.

There can be no guarantee that the Company will maintain its current dividend level or pay any dividend at all. The Company does not have a fixed dividend policy and the distribution of income is dependent on, among other things, the performance of the Company's investments and the availability of distributable profits in accordance with UK company law. Any inability to pay an annual dividend to Shareholders may have an adverse effect on the liquidity and market value of the Shares.

The Company is, and will continue to be, exposed to foreign exchange risk.

The Company has and may in the future have investments denominated in currencies other than Sterling. The Company therefore is and will continue to be exposed to foreign exchange risk. Changes in the rates of exchange between Sterling and any currency will cause the value of any investment

denominated in that currency, and any income arising out of the relevant investment, to go down or up in Sterling terms.

The Company may enter into hedging transactions to mitigate its exposure to fluctuations in foreign exchange rates and preserve capital. However, such currency exposure could have an adverse effect on the Portfolio and the Company's financial condition and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company may be exposed to legal, political or other market risks through investing in companies in the Portfolio located in overseas jurisdictions or traded on overseas stock markets.

The Company is permitted to, and does, invest a proportion of its gross assets in companies incorporated or traded on stock markets outside of the United Kingdom, which exposes the Company to the following risks:

- adverse changes in local economic and political stability in countries in which a company in the Portfolio is incorporated or the stock market on which the company in the Portfolio is traded, particularly where such situations impact the revenues generated by that company, returns made to overseas investors in that company, or other investor rights in relation to that company (such as liquidity rights);
- exchange rate fluctuations between Sterling and the currency of a jurisdiction in which a company in the Portfolio is domiciled or generates its income;
- unexpected changes in the regulatory environment, such as changes to a country's (or an overseas stock market's) rules relating to: (i) investor protection or liquidity rights; (ii) listing on that stock market, particularly where such rules become materially more burdensome for a company in the Portfolio; (iii) payment of returns to overseas investors (whether as capital or income); or (iv) eligibility of overseas investors to invest in a company in the Portfolio;
- tax systems that may have an adverse effect on the revenue received by the Company and, in particular, regulations relating to the imposition of any withholding taxes on the repatriation of capital or income from those jurisdictions in which companies in the Portfolio are domiciled or generate income; and
- the imposition, in the future, of any sanctions and corresponding banking restrictions in respect of a jurisdiction in which a company in the Portfolio is incorporated or the stock market on which the company in the Portfolio is traded.

Any of the above may have an adverse effect on the value of a company in the Portfolio and revenues received by the Company from the relevant company in the Portfolio, which would, in turn, have an adverse effect on the Company's financial condition, business, prospects and, consequently, the Company's Net Asset Value and/or the market price of the Shares, and the returns generated for Shareholders.

The Company's investments may be adversely affected by the failure of investee companies to comply with applicable regulatory, environmental, social or governance standards.

The Company invests in the securities of trading companies and any failure of these companies to comply with applicable regulatory, environmental, social or governance standards or engagement by these companies in otherwise unethical practices may adversely impact the performance of such companies and/or result in regulatory fines or sanctions being levied on such companies. This could result in negative investor sentiment towards these companies which may in turn adversely impact the performance and value of an investment in the relevant company. Any such decrease in performance or value could have an adverse effect on the Portfolio and on the Company's financial condition, prospects and reputation, with a consequential adverse effect on the market value of the Shares, particularly if such company represents a significant proportion of the Portfolio.

The Company is subject to risks associated with any hedging or derivative transactions in which it participates.

The Company may use derivatives or similar financial instruments for the purpose of capital preservation. Derivative transactions may be volatile and involve various risks different from, and in certain cases, greater than the risks presented by other instruments. The primary risks related to derivative transactions include counterparty, correlation, illiquidity, leverage, volatility and over-the-counter trading risks.

Counterparty risk is the risk that a counterparty in a derivative transaction will not fulfil its contractual or financial obligations to the Company or the risk that the reference entity in a swap or similar derivative will not fulfil its contractual or financial obligations. Correlation risk is the risk that an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Company from achieving the intended hedging effect or expose the Company to the risk of loss. Liquidity risk is the risk that derivative transactions may not be liquid in all circumstances, such that in volatile markets it may not be possible to close out a position without incurring a loss.

Leverage may be generated through the use of derivative instruments, which inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. This is due to the fact that, generally, only a very small portion (and in some cases none) of the value of the underlying security or instrument is required to be paid in order to make such leveraged investments. As a result of any leverage employed by the Company through the use of derivative instruments, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. A small investment in derivatives could have a large potential impact on the Company's performance, effecting a form of investment leverage on the Portfolio. In certain types of derivative transactions, the entire amount of the investment could be lost. In other types of derivative transactions, the potential loss is theoretically unlimited.

Volatility risk is the risk resulting from the fact that the prices of many derivative instruments, including many options and swaps, are highly volatile, due to being influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies, as well as (in the case of options and swaps agreements) the price of the securities or currencies underlying the relevant derivative agreement.

Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position.

Accordingly, the Company's use of derivative instruments may expose the Company to greater risk and have a material adverse effect on the Company's performance and a consequential adverse effect on returns to Shareholders and the market value of the Shares.

RISKS RELATING TO THE AIFM

The success of the Company is dependent on the AIFM, and its expertise, key personnel, and ability to source and advise appropriately on investments.

In accordance with the Management Agreement, the AIFM is solely responsible for the management of the Company's investments. The Company does not have any employees and its Directors are appointed on a non-executive basis. All of its investment and asset management decisions are in the ordinary course made by the AIFM (and any of its delegates) and not by the Company. The AIFM is not required to, and generally does not, submit individual investment decisions for approval to the Board. The Company is therefore reliant upon, and its success depends on, the AIFM and its personnel, services and resources.

Returns on Shareholders' investments in Shares will depend upon the AIFM's ability to source and make successful investments on behalf of the Company in the face of competition from other entities seeking to invest in investment opportunities identified for the Company. Competition can create significant upward pressure on pricing, thereby reducing the potential investment returns. There is no guarantee that competitive pressures will not have a material adverse effect on the Company's financial position and returns for investors.

Many of the AIFM's investment decisions will depend upon the ability of its employees and agents to carry out due diligence and obtain relevant information. There can be no guarantee that such information will be available or that the AIFM and its employees and agents will be able to obtain it. The AIFM may be required to make investment decisions without complete information, or in reliance upon information provided by third parties that is impossible or impracticable to fully verify. Further, the AIFM may not conduct due diligence which is wide enough in scope to reveal the potential risks of a particular investment. There can be no assurance that the AIFM will correctly identify and evaluate the nature and magnitude of the various factors that could affect the value of and return on the Company's investments. Any failure by the AIFM to perform effective due diligence on potential investments may adversely affect the investment returns expected from a particular investment.

Further, the ability of the Company to pursue its investment policy successfully depends on the continued service of key personnel of the AIFM, and/or the AIFM's ability to recruit individuals of similar experience and calibre. Whilst the AIFM seeks to ensure that the principal members of its management teams are suitably incentivised, the retention of key members of those teams cannot be guaranteed. There is no guarantee that, following the death, disability or departure from the AIFM of any key personnel, the AIFM would be able to recruit a suitable replacement or avoid any delay in doing so. The loss of key personnel and any inability to recruit an appropriate replacement in a timely fashion could have an adverse effect on the future performance of the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The AIFM is not required to commit all its resources to the Company's affairs. Insofar as the AIFM devotes resources to its responsibilities to other business interests, its ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, the Company's NAV per Share and the market price of the Shares.

There can be no assurance that the Board would be able to find a replacement alternative investment fund manager if the AIFM were to resign or the Management Agreement were to be terminated.

Under the terms of the Management Agreement, the AIFM may resign as the Company's manager by giving the Company not less than twelve months' written notice or, if terminated by the Company earlier, upon the payment of compensation. Further, the Management Agreement may be terminated immediately upon notice by the AIFM or by the Company in certain circumstances.

The Board would, in such circumstances, have to find a replacement alternative investment fund manager for the Company. There can be no assurance that a replacement with the necessary skills and experience would be available and could be appointed on terms acceptable to the Company. If the Management Agreement were terminated and a suitable replacement were not secured in a timely manner, this could have an adverse effect on the future performance of the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The past performance of investments made by the AIFM is not a guarantee or an indication of the future performance of the Company.

The information contained in this Prospectus relating to the prior performance of investments made by the AIFM on behalf of the Company is being provided for illustrative purposes only and is not indicative of the likely future performance of the Company. In considering the prior performance information contained in this Prospectus, Artemis Alpha Shareholders should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses. The performance of the Company may deviate materially from any period of past performance in a negative way which could have a material adverse effect on the Company's profitability, the Company's NAV per Share and the market price of the Shares.

The AIFM and its affiliates may serve as the alternative investment fund manager, investment manager and/or investment adviser to other clients, including funds and managed accounts that have similar investment objectives and policies to that of the Company, which may on occasion give rise to conflicts of interest with the Company.

The AIFM and its affiliates may serve as the alternative investment fund manager, investment manager and/or investment adviser to other clients, including funds and managed accounts that have similar investment objectives and policies to that of the Company. These investment management services may on occasion give rise to conflicts of interest with the Company and may have a material adverse effect on the Company's business, financial condition and the market price of the Shares. For example, the AIFM and/or its affiliates may have conflicts of interest in allocating their time and activity between the Company and their other clients, in allocating investments among the Company and their other clients and in effecting transactions between the Company and other clients, including ones in which the AIFM and/or its affiliates may have a greater financial interest. Furthermore, the AIFM may provide services to certain in-house funds into which the Company may invest which may give rise to a conflict of interest. There can be no assurance that the AIFM will resolve all conflicts of interest in a manner that is favourable to the Company. If a conflict is not resolved in a manner that is favourable to the Company, this may have a material adverse effect on the Company's business, financial condition and the market price of the Shares.

Operational risks may disrupt the AIFM's and the Company Secretary's businesses, result in losses and/or limit the Company's growth.

The Company relies heavily on the financial, accounting and other data processing systems of the AIFM and the Company Secretary who may delegate or otherwise appoint sub-agents to perform the services. If any of these systems do not operate properly or are disabled, the Company could suffer financial loss or reputational damage. A disaster or a disruption in the infrastructure that supports the Company, or a disruption involving electronic communications or other services used by the AIFM or the Company Secretary, their delegates or sub-agents or third-parties with whom the Company conducts business, could have a material adverse impact on the ability of the Company to continue to operate its business without interruption. The disaster recovery programmes used by the AIFM and the Company Secretary, their delegates or sub-agents or third-parties with whom the Company conducts business may not be sufficient to mitigate the harm that may result from such disaster or disruption. As such, this may have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The information and technology systems of the AIFM and the Company Secretary and their delegates may be vulnerable to operational, information security and related risks resulting from failures of or breaches in cybersecurity, including damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. A failure of, or breach in, cybersecurity ("**cyber incidents**") may cause disruption and impact the Company's operations, potentially resulting in financial losses, interference with the ability to calculate the Company's Net Asset Value, impediments to trading, the inability of Shareholders to subscribe for, exchange or sell Shares, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

While the AIFM and Company Secretary, along with other service providers, have established business continuity plans in the event of, and risk management strategies, systems policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures, including the possibility that certain risks have not been identified. Furthermore, none of the Company, the AIFM, the Company Secretary and/or the other service providers can control the cybersecurity plan, strategies, systems, policies and procedures put in place by entities in which the Company invests. In the event that such plans, strategies, systems, policies and procedures do not mitigate cyber incidents, such entities may suffer significant disruption to their operations or regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, all of which may have a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

Reputational risks, including those arising from litigation or regulatory censure against the AIFM or the Company, may disrupt the Company's investment strategy and growth.

The Company may be exposed to reputational risks, including from time to time the risk that litigation, regulatory censure, misconduct, operational failures, negative publicity and press speculation (whether or not valid) may harm the reputation of the AIFM or the Company. If the AIFM or the Company or any of its Directors is named as a party to litigation or becomes involved in regulatory inquiries, this could cause substantial reputational damage to the AIFM and the Company and result in potential counterparties, investee companies and other third parties being unwilling to deal with the AIFM and/or the Company. Damage to the reputation of the AIFM and/or the Company may disrupt the Company's investment strategy, business or potential growth, which could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

RISKS RELATING TO REGULATION, TAXATION AND THE COMPANY'S OPERATING ENVIRONMENT

Changes in taxation legislation or practice may adversely affect the Company and the tax treatment for Shareholders investing in the Company.

Any change in the Company's tax status, or in taxation legislation or practice in the United Kingdom or other jurisdictions to which the Company has exposure (including the jurisdictions in which companies in the Portfolio are based), could, depending on the nature of such change, adversely affect the value of investments in the Portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders and/or the market value of the Shares. Statements in this Prospectus concerning the taxation of the Company and taxation of Shareholders are based upon current UK tax law and published practice, any aspect of which is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to pursue successfully its investment policy and/or which could adversely affect the taxation of the Company and Shareholders. In particular, the UK Government has announced a Budget to be published on 30 October 2024, and changes to tax legislation or policy announced in the Budget could have immediate (or even retrospective) effect.

In addition, the cost of the COVID-19 pandemic (and the resultant increase in borrowing by many governments, particularly in the UK) could result in increased taxes being levied over the short-to-medium term, which could adversely impact net cashflows received from the companies in the Portfolio and, in turn, adversely impact the Company's Net Asset Value and returns to Shareholders and the market value of the Shares.

Existing and potential investors should consult their tax advisers with respect to their own tax position before deciding whether to invest in the Company.

Loss of investment trust status may adversely affect the Company and the tax treatment for Shareholders investing in the Company.

It is the intention of the Directors to continue to conduct the affairs of the Company so as to satisfy the conditions under section 1158 of the Corporation Tax Act and the Investment Trust Tax Regulations and, accordingly, for the Company to retain approval as an investment trust. In respect of each accounting period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on chargeable gains. There is a risk that if the Company fails to maintain its status as an investment trust, the Company would be subject to the normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain investment trust status, as the Shares are freely transferable. In the event that the Company fails to continue to satisfy the criteria for maintaining investment trust status, the Company will, as soon as reasonably practicable, notify Shareholders of this fact.

Changes in laws or regulations governing the Company's or the AIFM's operations may adversely affect the business and performance of the Company.

The Company and the AIFM are subject to laws and regulations enacted by national and local governments.

The Company, as a closed-ended investment company incorporated in England and Wales, is subject to various laws and regulations in such capacity, including the UK Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR, the UK AIFMD Laws, the EU AIFM Directive, the UK PRIIPs Laws, the UK GDPR, the AIC Code and the Companies Act. The Company will be subject also to the continuing obligations imposed on all investment companies whose shares are admitted to trading on the Main Market and to listing on the Official List in the closed-ended investment funds category. These rules, regulations and laws govern the way that, amongst other things, the Company is operated (i.e. its governance), how its Shares can be marketed and how it must deal with its Shareholders, together with requiring the Company to make certain reports, filings and notifications (and governing their respective content).

Any changes to the rules, laws and regulations affecting the Company and/or the Investment Manager could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, and/or on the market rating of the Shares with a consequential adverse effect on the market value and/or liquidity of the Shares.

Shareholders may be subject to withholding and forced transfers under FATCA and there may also be reporting of Shareholders under other exchange of information arrangements.

The UK has concluded an intergovernmental agreement ("IGA") with the US (the "US-UK IGA"), pursuant to which parts of FATCA have effectively been incorporated into UK law. Under the US-UK IGA a Foreign Financial Institution that is resident in the UK (a "Reporting FI") is not subject to withholding tax under FATCA provided that it complies with the terms of the US-UK IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by certain US persons owning, directly or indirectly, an equity or debt interest in the company (other than equity and debt interests that are regularly traded on an established securities market, as described below) and report on accounts held by certain other persons or entities to HMRC, which will exchange such information with the IRS.

The Company expects that it will be treated as a Reporting FI pursuant to the US-UK IGA and that it will comply with the requirements under the US-UK IGA and relevant UK legislation. The Company also expects that its Shares may, in accordance with the current HMRC practice, comply with the conditions set out in the US-UK IGA to be "regularly traded on an established securities market" meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC.

However, there can be no assurance that the Company will be treated as a Reporting FI, that its Shares will be considered to be "regularly traded on an established securities market" or that it will not in the future be subject to withholding tax under FATCA or the US-UK IGA.

The UK has also implemented the Common Reporting Standard ("CRS"), under which the Company may be required to collect and report to HMRC certain information regarding Shareholders and HMRC may pass this information on to tax authorities in other jurisdictions.

The requirements under FATCA, the CRS and similar regimes and any related legislation, IGAs and/or regulations may impose additional burdens and costs on the Company or Shareholders. There is no guarantee that the Company will be able to satisfy such obligations and any failure to comply may materially adversely affect the Company's business, financial condition, NAV and/or the market price of the Shares. In addition, there can be no guarantee that any payments in respect of the Shares will not be subject to withholding tax under FATCA. To the extent that such withholding tax applies, the Company is not required to pay any additional amounts to Shareholders.

In acquiring Shares, each Shareholder is agreeing, upon the request of the Company or its delegate, to provide such information as is necessary to comply with FATCA, the CRS and other similar regimes and any related legislation, IGAs and/or regulations. In particular, investors should be aware that certain

forced transfer provisions contained in the Articles may apply in the case that the Company suffers any pecuniary disadvantage as a result of the Company's failure to comply with FATCA.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the CRS and similar regimes concerning the automatic exchange of information and any related legislation, IGAs and/or regulations.

The Company has not, does not intend to and may be unable to become registered as an investment company under the US Investment Company Act and related rules.

The Company has not, does not intend to and may be unable to become registered with the SEC as an "investment company" under the US Investment Company Act and related rules. The US Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered, does not intend to so register and may be unable to so register, none of these protections or restrictions are or will be applicable to the Company. However, if the Company were to become subject to the US Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the US Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect the financial performance of the Company. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the US Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity and shareholders in that entity may be entitled to withdraw their investment. In order to ensure compliance with exemptions that permit the Company to avoid being required to register as an investment company under the US Investment Company Act and related rules, the Company has implemented appropriate restrictions on the ownership and transfer of Shares, which may affect a US investor's ability to hold or transfer Shares and may in certain circumstances require the US investor to transfer or sell its Shares.

The ability of certain persons to hold Shares and make secondary transfers in the future may be restricted as a result of ERISA and other regulatory considerations.

Each initial purchaser and subsequent transferee of New Shares is required to represent and warrant or will be deemed to represent and warrant that it is not a "benefit plan investor" as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and that it is not, and is not using assets of, a plan or other arrangement subject to provisions under applicable federal, state, local, non-US or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**US Tax Code**"), unless its purchase/receipt of, holding and disposition of New Shares does not constitute or result in a non-exempt prohibited transaction or violation of any such substantially similar law. Any purchaser of transferee of Shares who is unable to make such representations and warranties to the satisfaction of the Company may be prohibited by the Board from holding Shares and/or may be forced to transfer their Shares pursuant to certain forced transfer provisions contained in the Articles.

In particular, investors should be aware that certain forced transfer provisions contained in the Articles may apply in the case that the Directors wish to control the level of ERISA holdings in the Company.

RISKS RELATING TO AN INVESTMENT IN THE SHARES

Investors may not recover the full amount of their investment in the Shares.

The Company's ability to achieve its investment objective and pursue its investment policy successfully may be adversely affected by the manifestation of any of the risks described in this "*Risk Factors*" section of this Prospectus or other market conditions (or significant changes thereto). The market price of the Shares may fluctuate significantly, particularly in the short term, and potential investors should regard an investment in the Shares as a medium-to-long term investment.

As with any investment, the price of the Shares may fall in value. The maximum loss on an investment in the Shares is equal to the value of the initial investment and, where relevant, any gains or subsequent investments made. Investors therefore may not recover the full amount initially invested in the Shares, or any amount at all.

The Shares may trade at a discount to Net Asset Value and the price that can be realised for Shares will be subject to market fluctuations.

It is unlikely that the price at which the Shares trade will be the same as their Net Asset Value per Share (although they are related). The shares of an investment company such as the Company may trade at a discount to their net asset value per share. This could be due to a variety of factors, including due to market conditions or an imbalance between supply and demand for the Shares. While the Directors may seek to mitigate the discount to Net Asset Value per Share through such discount management mechanisms as they consider appropriate, there can be no guarantee that they will do so or that such efforts will be successful. As a result of this, investors that dispose of their interests in the Shares in the secondary market may realise returns that are lower than they would have been if an amount equivalent to the Net Asset Value per Share was distributed.

The market price of the Shares may fluctuate significantly and Shareholders may not be able to sell Shares at or above the price at which they purchased those Shares. Factors that may cause the price of the Shares to vary include those detailed in this “*Risk Factors*” section of this Prospectus, such as: changes in the Company’s financial performance and prospects, or in the financial performance and market prospects of the Company’s investments or those which are engaged in businesses that are similar to the Company’s business; the termination of the Management Agreement or the departure of some or all of the AIFM’s key investment professionals; changes in or new interpretations or applications of laws and regulations that are applicable to the Company’s business or to the companies in which the Company makes investments; general economic trends and other external factors, including those resulting from war or conflict (in particular, the current war in Ukraine, the conflict in the Middle East and any potential future conflict); incidents of terrorism, pandemics or responses to such events, such as COVID-19 policies adopted globally that dampened economic activity and impacted global supply chains; poor performance in any of the AIFM’s activities or any event that affects the Company’s or the AIFM’s reputation; speculation in the press or investment community regarding the Company’s business or investments, or factors or events that may directly or indirectly affect the Company’s business or investments; and foreign exchange risk as a result of making and selling equity investments denominated in currencies other than Sterling.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance or fundamentals of individual companies. Market fluctuations may adversely affect the trading price of the Shares. As with any investment, the price of the Shares may fall in value with the maximum loss on such investments being equal to the value of the initial investment and, where relevant, any gains on subsequent investments made.

It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares, and Shareholders have no right to have their Shares redeemed or repurchased by the Company.

Admission should not be taken as implying that there will be an active and liquid market for the Shares. Limited liquidity in the Shares may affect: (i) an investor’s ability to realise some or all of its/their investment; and/or (ii) the price at which such Shares trade in the secondary market. The price at which the Shares will be traded will be influenced by a variety of factors, some specific to the Company and its investments and some which may affect companies generally.

Further, the Company is a closed-ended investment company and Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time. Subject to the Companies Act, the Directors retain the right to effect repurchases of Shares. However, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors to exercise such powers. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market. There can be no guarantee that a liquid market in the Shares will develop or continue or that the Shares will trade at prices close to their underlying Net Asset Value per Share. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value per Share, or at all.

The Company may in the future issue new Shares which may dilute Shareholders' equity or have a detrimental effect on the market price of the Shares.

The Company has general authority to issue new Shares on a non-pre-emptive basis. Such authority would generally only be exercised by the Directors in order to meet investor demand for the Company's Shares, should that demand exceed supply, in circumstances in which the AIFM is confident that it can invest the proceeds of such Share issuance in accordance with the Company's investment objective and policy. Such further issues of Shares may, subject to compliance with the relevant provisions of the Companies Act and the Articles, be made on a non pre-emptive basis. Any such issue may dilute the percentage of the Company and voting rights held by Shareholders. Additionally, such issues could have an adverse effect on the market price of the Shares.

Potential future Share buybacks undertaken by the Company may make the residual Shares less liquid or increase the Company's level of gearing.

Any reduction in the issued Share capital of the Company as a result of any Share buyback(s) undertaken by the Company may, depending on the size and nature of such buyback(s), reduce the liquidity of the remaining Shares in issue and will reduce the asset base over which fixed costs are spread.

RISK RELATING TO THE SCHEME

Implementation of the Scheme is subject to certain conditions.

Implementation of the Scheme is conditional, amongst other conditions, upon: (i) the passing of the Scheme Resolution to approve the issue of New Shares pursuant to the Scheme at the General Meeting; and (ii) Artemis Alpha Shareholders approving the Scheme. If any condition of the Scheme is not met, the Scheme will not be implemented, but the costs and expenses incurred by the Company in connection with the Scheme will still be borne by the Company, which may affect the financial returns of the Company and returns to Shareholders without the benefits arising through the implementation of the Scheme. In the event the Scheme is not implemented, the Company Fixed Implementation Costs are estimated to be approximately £536,976 (including irrecoverable VAT), equivalent to 0.25 per cent. of the Company's Net Asset Value as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus. In these circumstances, the Company and Artemis Alpha would remain as separate investment trusts.

IMPORTANT INFORMATION

General

This Prospectus should be read in its entirety. Prospective investors should rely only on the information contained in this Prospectus or any supplementary prospectus published by the Company prior to Admission. No person has been authorised to give any information or make any representations in connection with the Issue other than the information contained in, or incorporated by reference into, this Prospectus (or any supplementary prospectus published by the Company prior to the date of Admission) and, if given or made, such information or representations about the Company or the AIFM or the Issue must not be relied upon as having been authorised by or on behalf of the Company, the AIFM, the Sponsor or any of their respective affiliates, officers, directors, members, employees or agents.

Without prejudice to the Company's obligations under the UK Prospectus Regulation, the UK Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR, neither the delivery of this Prospectus nor the issue of New Shares made pursuant to the Issue shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein, including any forward-looking statements, is correct as at any time subsequent to the date of this Prospectus.

Artemis Alpha Shareholders should consider carefully all the information contained in this Prospectus. However, the contents of this Prospectus or any subsequent communications from the Company, the AIFM, the Sponsor or any of their respective affiliates, officers, directors, employees or agents, are not to be construed as legal, business or tax advice. The tax legislation of a Shareholder's home jurisdiction may have an impact on the income received by the Shareholder from the Shares. Each prospective investor should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the acquisition/receipt of New Shares.

An investment in the New Shares should constitute part of a diversified investment portfolio. The Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full amount initially invested, or any amount at all. The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance. There can be no assurance that the Company's investment objective will be achieved. The past performance of the Company is not a guarantee of the future performance of the Company. Shareholders will bear the rewards and risks of the success or otherwise of the Company's investments. Although the Shares are, and the New Shares will be, listed on the Official List and admitted to trading on the Main Market, it is possible that there may not be a liquid market in the Shares and Shareholders may have difficulty in selling them.

Apart from the liabilities and responsibilities (if any) which may be imposed on the Sponsor by FSMA or the regulatory regime established thereunder, the Sponsor, its affiliates, officers, directors, employees and agents make no representations, express or implied, nor accept any responsibility whatsoever for the contents of this Prospectus (or any supplementary prospectus published by the Company prior to Admission) nor for any other statement made or purported to be made by them or on their behalf in connection with the Company, the AIFM, the New Shares, the Issue or Admission. The Sponsor and its affiliates, officers, directors, employees and agents, to the fullest extent permitted by law, accordingly disclaim all and any liability (save for statutory liability) whether arising in tort or contract or otherwise which it or they might otherwise have in respect of the contents of the Prospectus or any other statement made or purported to be made by them or on their behalf in connection with the Company, the AIFM the New Shares, the Issue, Admission or any transaction or arrangement referred to in this Prospectus.

The distribution of this Prospectus in certain jurisdictions may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles of the Company. A summary of the provisions of the Articles relating to the rights attaching to the Shares, including any limitation of those rights and procedures for the exercise of those rights, is set out in paragraph 6 of Part 7 (*General Information*) of this Prospectus.

Statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes in such law and practice.

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, solicitor, accountant or other independent professional or financial adviser.

Selling restrictions

The New Shares are only available to Eligible Artemis Alpha Shareholders and are not being offered to Existing Aurora Shareholders (save to the extent an Existing Aurora Shareholder is also an Eligible Artemis Alpha Shareholder) or to the public.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any New Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

The distribution of this Prospectus and the offering of New Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of New Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction relevant to them in connection with any proposed applications for New Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for in the United Kingdom and save as explicitly stated elsewhere in this Prospectus, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of New Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus in any other jurisdiction where action for that purpose is required.

Notice to prospective investors in the EEA

In relation to each EEA Member State, no New Shares have been offered or will be offered pursuant to the Issue to the public in that EEA Member State prior to the publication of a prospectus in relation to the New Shares which has been approved by the competent authority in that EEA Member State, or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus Regulation, except that the New Shares may be offered to the public in that EEA Member State at any time with the prior consent of the Sponsor under the following exemptions under the EU Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in Article 2 of the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in that EEA Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of New Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement to a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of New Shares in any EEA Member State means a communication in any form and by any means of sufficient information on the terms of the offer and any New Shares to be offered so as to enable an investor to decide to purchase or subscribe for the New Shares.

Further, the AIFM has not made any notifications or applications or received approvals for the marketing of the New Shares to “professional investors” (as defined in the EU AIFM Directive) in any EEA Member State. Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any Artemis Alpha Shareholder (or any other person) domiciled in any EEA Member State. Artemis Alpha Shareholders domiciled in the EEA that have received the Prospectus in any EEA Member State are not, save as otherwise agreed with the Company, deemed to be an Eligible Artemis Alpha Shareholder and should not subscribe for New Shares (and the Company reserves the right to reject any application so made, without explanation).

Notwithstanding that the AIFM may confirm, from time to time, that it is able to market New Shares to Artemis Alpha Shareholders who are professional investors in an EEA Member State, the New Shares may not be marketed to retail investors (as this term is defined in the EU AIFM Directive as transposed in the relevant EEA Member State) in any EEA Member State unless the New Shares have been qualified for marketing to retail investors in that EEA Member State in accordance with applicable local laws. As at the date of this Prospectus, the New Shares are not eligible to be marketed to retail investors in any EEA Member State. Accordingly, no retail investor in any EEA Member State is considered to be an Eligible Artemis Alpha Shareholder and, as such, the New Shares may not be offered, sold or delivered and neither this Prospectus nor any other offering materials relating to such Shares may be distributed or made available to retail investors in any EEA Member State.

Notice to prospective investors with respect to United States federal securities laws

The New Shares are being offered and sold only: (i) outside the United States in “offshore transactions” to non-US Persons pursuant to Regulation S under the US Securities Act, and (ii) to persons that are both QIBs and Qualified Purchasers, pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Certificate, which can be requested from the Artemis Alpha Registrar by email to operationalsupportteam@linkgroup.co.uk, and returned such certificate to the Company in accordance with the instructions printed thereon. A US Artemis Alpha Shareholder that does not complete and return a valid US Investor Certificate will be deemed to have elected for the Cash Option.

In addition, the Company has not been and will not be registered under the US Investment Company Act, and investors in the New Shares will not be entitled to the benefits of the US Investment Company Act. The New Shares have not been and will not be registered under the US Securities Act and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, any US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not result in the Company being required to register under the US Investment Company Act. There has not been, and there will not be, any public offer of the New Shares in the United States.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. For further information on restrictions on transfers of the Shares, please refer to the section titled “*Excluded Artemis Alpha Shareholders*” at paragraph 9 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

Available information

For so long as the Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the US Securities Exchange Act of 1934, as amended (the “**US Exchange Act**”), nor exempt from reporting under the US Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon request the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act.

Enforcement of civil liabilities

The Company is organised as a public limited company incorporated under the laws of England and Wales. None of the Company's directors or officers are citizens or residents of the United States. In addition, the majority of the Company's and its directors' and officers' assets are located outside the United States. As a result, it may not be possible for US investors to effect service of process within the United States upon the Company or its directors and officers located outside the United States or to enforce in the US courts or outside the United States judgments obtained against them in US courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the US federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce judgments of US courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) the UK's implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**UK MiFID II**") and (b) the UK's implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing UK MiFID II, and, in particular, Chapter 3 of the Product Intervention and Product Governance Sourcebook of the FCA (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that the New Shares to be issued pursuant to the Issue are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: (i) the price of the New Shares may decline and investors could lose all or part of their investment; (ii) the New Shares offer no guaranteed income and no capital protection; and (iii) an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may be equal to the whole amount invested from such an investment. Accordingly, typical investors in the New Shares are expected to be institutional investors, private clients through their wealth managers, experienced investors, high net worth investors, professionally advised investors and retail investors who may have basic or no knowledge and experience of investing in financial markets who have taken appropriate steps to ensure that they understand the risks involved in investing in the Company. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares when determining appropriate distribution channels.

UK PRIIPs Laws

Investors should be aware that the UK PRIIPs Laws require the AIFM, as PRIIP manufacturer, to prepare a key information document ("**KID**") in respect of the Company. This KID must be made available by the AIFM to retail investors prior to them making any investment decision and is available to investors at the Company's website at <https://www.aurorainvestmenttrust.com/about-us/reports/> under "**Reports**". The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns referred to in the KID are prescribed by law.

To the extent that New Shares are to be made available to retail investors in the EEA, the Company will make available key information documents under the EU PRIIPs Regulation as required.

The AIFM is the only manufacturer of the Shares for the purposes of the UK PRIIPs Laws and EU PRIIPs Regulation, and the Sponsor is not a manufacturer for these purposes. The Sponsor does not make any representation, express or implied, nor accept any responsibility whatsoever for the contents of the KID(s) prepared in respect of an investment in the Shares nor accepts any responsibility to update the contents of the KID(s) in accordance with the UK PRIIPs Regulation and/or EU PRIIPs Regulation, to undertake any review processes in relation thereto or to provide the KID(s) to future distributors of Shares. Accordingly, the Sponsor disclaims all and any liability whether arising in tort or contract or otherwise which it might have in respect of any KID prepared in respect of an investment in the Shares from time to time.

Non-mainstream pooled investments status and UK MiFID II

As the Company is a closed-ended investment company which is an investment trust domiciled in the United Kingdom, the New Shares will be “excluded securities” under the FCA’s rules on non-mainstream pooled investments. Accordingly, the promotion of the Shares is not subject to the FCA’s restriction on the promotion of non-mainstream pooled investments. The Company intends to continue to conduct its affairs so that the Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under UK MiFID II. The Directors consider that the New Shares should be considered “non-complex” for the purposes of UK MiFID II.

Data protection

The information that Artemis Alpha provides to the Company or its agents in relation to the Issue or subsequently, by whatever means, which relates to Artemis Alpha Shareholders who are individuals or a third party individual (“**personal data**”) will be held and processed by the Company in compliance with relevant data protection legislation and regulatory requirements. Such personal data may include:

- personal details such as name, title, date of birth, addresses, telephone numbers and email addresses;
- identification and verification information and documents, such as signatures, passports, driving licences, birth/marriage certificates and tax/credit references; and
- financial and transactional information, and instructions, relating to an investment.

Each Artemis Alpha Shareholder acknowledges that such information will be held and processed by the Company for the following purposes:

- the performance of the Company’s contract with such Artemis Alpha Shareholder;
- acting in a way that is necessary for the Company’s legitimate interests, including carrying out the business of the Company and the administering of interests in the Company;
- complying with the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere, including verifying the identity of an Artemis Alpha Shareholder to comply with statutory and regulatory requirements in relation to anti-money laundering procedures; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each Artemis Alpha Shareholder acknowledges that, where appropriate, it may be necessary for the Company to:

- disclose personal data to third-party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to the Artemis Alpha Shareholder; and

- transfer personal data outside of the UK to countries or territories which may not offer the same level of protection of personal data provided that, in each case, adequate safeguards are in place for the protection of such personal data in accordance with the relevant data protection legislation and regulatory requirements in the United Kingdom.

Personal data relating to Artemis Alpha Shareholders shall be retained by the Company for as long as necessary to fulfil the purposes it was collected for, including for the purposes of satisfying any legal or regulatory requirements.

Individuals have certain rights in relation to their personal data – specifically, the right to be informed, the right of access, the right to rectification, the right to erasure, the right to restrict processing, the right to data portability, the right to object to processing and the right to complain to the relevant supervisory authority (which, in the United Kingdom, is the UK Information Commissioner's Office).

Artemis Alpha Shareholders acknowledge that the Company will be a separate controller of the personal data and such personal data shall be held and processed by the AIFM in compliance with relevant data protection legislation and regulatory requirements, and the AIFM's privacy policy (available at <https://www.phoenixassetmanagement.com>).

Artemis Alpha Shareholders are responsible for informing and obtaining any required consent of any third-party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

Shareholders will be notified if an updated privacy policy has been published on the Company's website through an RIS.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors or the AIFM concerning, amongst other things, the Company's investment objective and investment policy, the Company's investment performance, financial condition, prospects and dividend policy, and the markets in which the Company invests and/or operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur. The Company's actual investment performance, financial condition, dividends paid and its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance and financial condition of the Company, and its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results, its condition or its strategies may not be indicative of results, its condition or its strategies in subsequent periods. Important factors that could cause these differences include, but are not limited to, the factors set out in the "Risk Factors" section of this Prospectus.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Prospectus reflect the Company's and/or the AIFM's view with respect to future events as at the date of this Prospectus and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations and strategy. The Company, the AIFM and the Sponsor undertake no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Regulation Rules, the UK Listing Rules, UK MAR, EU MAR, the Disclosure Guidance and Transparency Rules, the EU AIFM Directive or the UK AIFMD Laws), whether as a result of new information, future events, conditions or circumstances, any change in the Company's or the AIFM's expectations with regard thereto or otherwise. However, Shareholders are advised to read any communications that the Company may make directly to them, and any additional disclosures in announcements that the Company may make through an RIS following the date of this Prospectus.

Given these uncertainties, Artemis Alpha Shareholders are cautioned not to place any undue reliance on such forward-looking statements and should carefully consider the section of this Prospectus titled “*Risk Factors*” for a discussion of additional factors that could cause the Company’s actual results to differ materially before making any investment decision.

Notwithstanding the foregoing, nothing contained in this Prospectus shall in any way be taken to qualify the working capital statement contained in paragraph 8 of Part 5 (*Financial Information*) of this Prospectus.

Performance data

This Prospectus includes information regarding the track record and performance data of the Company. Artemis Alpha Shareholders should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this Prospectus relates. The past performance of the Company and/or the AIFM is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Company and/or the AIFM. Artemis Alpha Shareholders should be aware that any investment in the Company involves a significant degree of risk, and could result in the loss of all or substantially all of their investment.

For a variety of reasons, the comparability of the track record information to the Company’s future performance is by its nature very limited. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Company or the AIFM which may be different in many respects from those that prevail at present or in the future, with the result that the performance of portfolios originated now may be significantly different from those originated in the past.

Taxation

Any change in the Company’s tax status or in taxation legislation or accounting practice could affect the value of the investments held by the Company, affect the Company’s ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Representations in this Prospectus concerning the taxation of investors are based upon tax law and practice as at the date of this Prospectus, which are, in principle, subject to change (possibly with retrospective effect). Any change in accounting standards may adversely affect the value of the Company’s assets and liabilities in its books of account or restrict the ability of the Company to pay dividends.

A guide to the general UK taxation position as at the date of this Prospectus is set out in Part 6 (*UK Taxation*) of this Prospectus.

Tax reporting, FATCA and CRS

Shareholders should furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA or CRS. Shareholders may be subject to tax reporting under applicable laws. FATCA and CRS documentation and reporting obligations can also arise in respect of Shareholders where third parties hold shares or act on their behalf.

Latest practicable date

In this Prospectus, where the context requires, references to 21 October 2024 should be treated as being references to the latest practicable date prior to the publication of this Prospectus.

Defined Terms

Capitalised terms contained in this Prospectus have the meanings ascribed to them in Part 8 (*Definitions*) of this Prospectus, save where the context indicates otherwise.

No incorporation of website information

Without limitation, neither the contents of the Company's website (available at <https://www.aurorainvestmenttrust.com>) nor the websites of the AIFM or the Sponsor (or any other website) nor the content of any website accessible from hyperlinks on the Company's or the AIFM's or the Sponsor's website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA. Investors should base their decision as to whether or not to invest in the Shares on the contents of this Prospectus (and any supplementary prospectus published by the Company prior to Admission) alone and should consult their professional advisers prior to acquiring/receiving the New Shares.

Governing law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

EXPECTED TIMETABLE

2024

General Meeting

Publication of the Circular and Notice of General Meeting	24 October
Latest time and date for receipt of Forms of Proxy and appointment of proxies by electronic means for the General Meeting	10.30 a.m. on 20 November
Record date for the General Meeting	6.00 p.m. on 20 November
General Meeting	10.30 a.m. on 22 November
Announcement of results of the General Meeting	22 November

Aurora Interim Dividend

Ex-dividend date for the Aurora Interim Dividend	31 October
Record date for the Aurora Interim Dividend	1 November
Last day for dividend re-investment plan elections in respect of the Aurora Interim Dividend	15 November
Date of payment for the Aurora Interim Dividend	6 December

Scheme

Publication of this Prospectus	24 October
First Artemis Alpha General Meeting	2.00 p.m. on 19 November
Record Date	6.00 p.m. on 19 November
Artemis Alpha Shares disabled in CREST (for settlement)	close of business on 19 November
Calculation Date	close of business on 22 November
Reclassification of Artemis Alpha Shares	8.00 a.m. on 28 November
Suspension of listing of reclassified Artemis Alpha Shares	7.30 a.m. on 29 November
Second Artemis Alpha General Meeting	9.00 a.m. on 29 November
Effective Date for implementation of the Scheme	29 November
Announcement of results of the Artemis Alpha Shareholder elections, the ATS Rollover FAV per Share, the ATS Cash Pool FAV per Share and the Aurora FAV per Share	29 November
Admission and dealings in New Shares commences	8.00 a.m. on 2 December
CREST Accounts credited in respect of New Shares in uncertificated form	as soon as is reasonably practicable on 2 December
Share certificates in respect of New Shares held in certificated form despatched by post	by no later than 10 Business Days from the Effective Date
Cancellation of listing of reclassified Artemis Alpha Shares	as soon as practicable after the Effective Date

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

ISSUE STATISTICS

Number of New Shares to be issued

Based on a ratio between the Aurora FAV per Share and ATS Rollover FAV per Share of 1.536253 (which, in turn, is based on the Company's NAV and the Artemis Alpha NAV (each as at 21 October 2024) and adjusted as set out in this Prospectus), and assuming Artemis Alpha Shareholders elect (or are deemed to elect) for the Cash Option in full, the Scheme would result in the issue of 37,691,748 New Shares¹

DEALING CODES

ISIN	GB0000633262
SEDOL	0063326
Ticker code	ARR
Legal Entity Identifier (LEI) of the Company	2138007OUWIZFMAGO575

¹ This is illustrative only and is based on the illustration provided in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus. The number of New Shares to be issued pursuant to the Issue is not known at the date of this Prospectus and will depend on the ratio produced by the division of the ATS Rollover FAV per Share by the Aurora FAV per Share, multiplied by the number of Artemis Alpha Shares that are deemed to be elected for the Rollover Option. The total number of New Shares to be issued pursuant to the Issue will be notified by way of an RIS announcement on or around 29 November 2024.

DIRECTORS, AIFM AND OTHER ADVISERS

Directors	Lucy Walker (<i>Chair</i>) Farah Buckley Lady Rachael Robathan David Stevenson
Registered office	25 Southampton Buildings London WC2A 1AL
Alternative Investment Fund Manager	Phoenix Asset Management Partners Limited 64-66 Glentham Road Barnes London SW13 9JJ
Company Secretary	Frostrow Capital LLP 25 Southampton Buildings London WC2A 1AL
Sponsor and Joint Financial Adviser	Dickson Minto Advisers LLP Dashwood House 69 Old Broad Street London EC2M 1QS
Joint Financial Adviser	Panmure Liberum Limited Ropemaker Place Level 12, 25 Ropemaker Street London EC2Y 9LY
Legal advisers to the Company (as to English law)	Dickson Minto LLP Dashwood House 69 Old Broad Street London EC2M 1QS
Depository	Northern Trust Investor Services Limited 50 Bank Street London E14 5NT
Auditor	BDO LLP 55 Baker Street London W1U 7EU
Registrar and Receiving Agent	Link Group Central Square 29 Wellington Street Leeds LS1 4DL

PART 1 – THE COMPANY

1. INTRODUCTION

1.1. The Company

Aurora Investment Trust plc (the “**Company**”) is a closed-ended investment company, incorporated on 10 January 1997 in England and Wales as a public limited company with registered number 03300814. The Company is an alternative investment fund or “AIF” for the purposes of the UK AIFMD Laws and EU AIFM Directive, and is registered as an investment company under section 833 of the Companies Act.

The Company’s investment objective and policy is set out in paragraph 3 of this Part 1.

As at 21 October 2024, the Company had a Net Asset Value of approximately £214.1 million.

The Company’s Shares are listed on the closed-ended investment funds listing category of the Official List and are traded on the Main Market.

1.2. Phoenix

Phoenix Asset Management Partners Limited (“**Phoenix**” or the “**AIFM**”) has been appointed as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company.

Founded in 1998, Phoenix is a boutique investment management company based in Barnes, southwest London, with a strong track record that has delivered above market returns over its 26-year lifetime. Phoenix ascribes to a value investing philosophy, inspired by the likes of Warren Buffet, Phil Fisher, Ben Graham and Charlie Munger.

Phoenix’s co-founder, Gary Channon, is the Chief Investment Officer of Phoenix and has been since Phoenix was founded. Before founding Phoenix in 1998, Gary was Co-Head of Equity and Equity Derivatives Trading at Nomura International. Before joining Nomura International, he worked at Nikko and Goldman Sachs.

Phoenix values, in particular, humility, integrity and fairness and has consistently applied and followed the same set of principles throughout its history.

1.3. A summary of Phoenix’s investment philosophy

Phoenix believes that markets occasionally misprice businesses, usually due to an overweighting of short-term factors in what are very long-term securities, to such an extent that a very attractive investment opportunity occurs offering high risk-adjusted returns. Such opportunities can only be seized by the prepared mind, so Phoenix seeks to put itself in that position.

By applying a consistent methodology to the way in which it assesses, evaluates and models businesses and a consistent way in which it makes investment decisions, combined with a feedback loop, Phoenix has been able to develop a learning framework that has improved through time. The framework is designed to reduce human biases in its investment judgements. This constantly improving approach has become an expertise which Phoenix believes gives it an edge by lowering its error rate.

Phoenix invests in businesses whose competitive dynamics it can monitor in action, and it runs monitoring programmes for all its businesses so that it can test the assumptions it has made in its original assessments.

Phoenix believes a deep understanding of why a business has a sustainable competitive advantage and why its customers choose to use it, and will continue to do so, takes a long time to acquire and can require a lot of focused work, including fieldwork and a good understanding of human behaviour and motivation. Phoenix’s approach is long-term. It is rare for a company with excellent prospects to trade cheaply, and so Phoenix tends to be busiest when the market is depressed, and it can take advantage of short-term turbulence. If there is nothing to do, Phoenix does nothing, whilst its cash builds and it awaits further opportunities.

For further information on Phoenix, please refer to the section titled ‘*Managerial arrangements*’ at paragraph 2.1 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus.

2. BACKGROUND TO THE PUBLICATION OF THIS PROSPECTUS

2.1. Background to the Proposals

As announced on 2 September 2024, the Board has agreed terms with the board of Artemis Alpha Trust plc (“**Artemis Alpha**”) in respect of a proposed combination of the assets of the Company with the assets of Artemis Alpha. The combination, if approved by Existing Aurora Shareholders and Artemis Alpha Shareholders, will be effected by way of a scheme of reconstruction and members’ voluntary winding up of Artemis Alpha under section 110 of the Insolvency Act (the “**Scheme**”) and the associated transfer of part of the cash, assets and undertaking of Artemis Alpha to the Company in exchange for the issue of New Shares.

Following the implementation of the Proposals, it is intended that the Enlarged Company will continue to be managed on the same basis as it is currently. In particular, the Company’s investment objective and investment policy will not change as a result of the implementation of the Proposals, and the Portfolio will continue to be managed by the AIFM, with Gary Channon continuing as lead portfolio manager. However, the Board intends to change the name of the Company to “Aurora UK Alpha plc” as soon as practicable following the Effective Date.

Implementation of the Scheme is conditional upon, among other things, the approval by Existing Aurora Shareholders at the General Meeting of the Resolution to authorise the issue of New Shares pursuant to the Scheme and the approval of the Artemis Alpha Resolutions by Artemis Alpha Shareholders at the Artemis Alpha General Meetings.

2.2. Benefits of the Proposals

The Board expects that the Proposals will result in a number of benefits for both Artemis Alpha Shareholders and Existing Aurora Shareholders, as well as for future investors in the Enlarged Company, including:

- **Aligned investment strategy:** The Company’s patient and focused investment approach differentiates it from many of its peers with a portfolio of high conviction investments. The Company’s investment strategy is therefore aligned with Artemis Alpha’s investment approach, offering a degree of continuity to those Artemis Alpha Shareholders who roll-over their investment into the Company. This is demonstrated by the fact that, as at 21 October 2024, the Company and Artemis Alpha held a number of stocks in common which represented approximately 78.6 per cent. and 42.5 per cent. of the respective investment portfolios.
- **Performance track record:** Since the appointment of Phoenix as the Company’s AIFM on 28 January 2016, the Company has returned a Share price total return of 86.7 per cent. and a NAV total of return of 101.2 per cent. (each as at 21 October 2024). This compares to the total return of the FTSE All Share Index of 90.9 per cent. over the same period.
- **Improved share rating:** Artemis Alpha Shareholders that roll-over into the Enlarged Company are expected to benefit from an uplift in the market valuation of their investment as a result of the Company’s share price discount to NAV being narrower than Artemis Alpha’s prior to the announcement of the Proposals. Artemis Alpha’s 3 year average share price discount to NAV as at 30 August 2024 (the last Business Day prior to the announcement of the Proposals) was 10.85 per cent., whereas the Company’s Share price discount to NAV was 8.03 per cent. over the same time period.
- **Enhanced scale and liquidity:** The scale of the Enlarged Company is expected to improve secondary market liquidity for both Existing Aurora Shareholders and Artemis Alpha Shareholders.
- **Lower ongoing charges ratio:** The economies of scale that the combination will bring is expected to result in a decrease in the Company’s ongoing charges ratio as a result of the Company’s fixed costs being spread over a larger asset base.

- **Favourable fee structure:** The Company has a unique and favourable fee structure, whereby no base management fee is charged by Phoenix, which is remunerated by way of a performance fee payable in shares and only if the Company's benchmark (being the FTSE All-Share Index (total return) (the "**Benchmark Index**") is outperformed. When a performance fee is payable, it is paid by way of the issuance of Shares, which are subject to a fixed three-year lock-in period, at the end of which a test is performed and if there has been underperformance during the lock-in period, the Company is entitled to require Phoenix to transfer back to the Company some or all of the Shares it received in satisfaction of the performance fee. Further details of Phoenix's fee arrangements are set out in paragraph 4.2 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus.
- **Significant contribution to costs from Phoenix:** Phoenix has agreed to make a significant contribution to the costs of the Proposals of an amount equal to £750,000 (the "**Phoenix Costs Contribution**"). The Phoenix Costs Contribution will be allocated first to pay the Company Fixed Implementation Costs up to a cap of £500,000, with the balance of the Phoenix Costs Contribution allocated to pay Artemis Alpha's direct fixed costs in connection with the Proposals. Further details of the Phoenix Costs Contribution are set out in paragraph 4.1 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus.

Separate to the Proposals, Kartik Kumar, the lead manager in respect of Artemis Alpha's portfolio, has accepted an offer from Phoenix to join its investment management team later in the year.

2.3. Overview of the Scheme

The Proposals will be effected by way of a scheme of reconstruction of Artemis Alpha under section 110 of the Insolvency Act, resulting in the members' voluntary winding up of Artemis Alpha and the transfer of part of Artemis Alpha's cash, assets and undertaking (the "**Rollover Pool**") to the Company in return for the issue of New Shares in the Company on a formula asset value ("**FAV**") for FAV basis. That is to say, Eligible Artemis Alpha Shareholders will be issued New Shares on the basis of the ratio of the ATS Rollover FAV per Share to the Aurora FAV per Share, as set out in Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

The Scheme is conditional on, amongst other things, approval of the Resolution at the General Meeting and the approval of the Artemis Alpha Resolutions by Artemis Alpha Shareholders at the Artemis Alpha General Meetings. Further details of the conditions attaching to the Scheme are set out in paragraph 4 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

Under the Scheme, Eligible Artemis Alpha Shareholders will be deemed, by default, to have elected to receive New Shares (the "**Rollover Option**") to the extent they do not make a valid election to receive cash in respect of some or all of the Artemis Alpha Shares they own (the "**Cash Option**") or to the extent that their elections for the Cash Option are scaled back in accordance with the Scheme.

The maximum number of Artemis Alpha Shares that can be elected (or be deemed to have been elected) for the Cash Option is, in aggregate, 25 per cent. of the total number of Artemis Alpha Shares in issue (excluding Artemis Alpha Shares held in treasury) as at the Calculation Date (the "**Maximum Cash Option Shares**"). Eligible Artemis Alpha Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Artemis Alpha Shares (the "**Basic Entitlement**", such excess amount being an "**Excess Application**"). However, should total elections and deemed elections for the Cash Option exceed 25 per cent. of the Artemis Alpha Shares in issue (excluding Artemis Alpha Shares held in treasury) as at the Calculation Date, Excess Applications for the Cash Option will be scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Eligible Artemis Alpha Shareholders who have made such Excess Applications such that the aggregate number of Artemis Alpha Shares elected (or deemed to have been elected) for the Cash Option shall equal the Maximum Cash Option Shares.

Cash entitlements under the Cash Option will be calculated on the basis of the ATS Cash Pool FAV. The ATS Cash Pool FAV will be calculated as the ATS Residual Net Asset Value multiplied by the percentage of Artemis Alpha Shares in respect of which valid elections have, or are deemed to have, been made for the Cash Option (following any required scaling back in accordance with the Scheme) (the “**Cash Exit Percentage**”), less:

- a discount of 2 per cent. of such amount (the “**Cash Option Discount**”); and
- a further discount equal to 20 per cent. of the aggregate value of the Unquoted Holdings that form part of the Rollover Pool multiplied by the Cash Exit Percentage (the “**Cash Pool Liquidity Adjustment**”, and together with the Cash Option Discount the “**Cash Option Adjustments**”).

The Cash Pool Liquidity Adjustment reflects, for those Artemis Alpha Shareholders who elect (or are deemed to elect) for the Cash Option, the benefit of being able to exit their holdings without immediately triggering a requirement upon Artemis Alpha to sell assets that may not be readily realisable within the timeframe of the Proposals. The Cash Pool Liquidity Adjustment will be calculated as at the Calculation Date on the value of the Unquoted Holdings transferring to the Company pursuant to the Scheme.

The value arising from the application of the Cash Option Adjustments will be allocated to the Rollover Pool. The benefit of the Cash Option Adjustments will be allocated to Artemis Alpha Shareholders that are deemed to elect for the Rollover Option pursuant to the Scheme up to an amount equal to the proportion of Artemis Alpha’s Scheme costs that are attributable to the Rollover Pool. In the event the value arising from the application of the Cash Option Adjustments exceeds this amount, the surplus will not be taken into account in the calculation of the respective FAVs, and will be credited to the Enlarged Company.

Further details of the Scheme and the Issue are set out in Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

2.4. Use of proceeds

The New Shares will be issued to Eligible Artemis Alpha Shareholders, and to the Liquidators appointed in respect of Excluded Artemis Alpha Shareholders, in consideration for the transfer of the Rollover Pool from Artemis Alpha to the Company. The Rollover Pool will consist of investments aligned with the Company’s investment objective and policy as at the Effective Date, together with cash and cash equivalents. Any cash in the Rollover Pool and any proceeds of the realisation of cash equivalents in the Rollover Pool will be used to acquire investments in accordance with the Company’s investment objective and policy.

3. INVESTMENT OBJECTIVE AND POLICY

The investment objective and investment policy of the Company, as approved by Shareholders, are as follows:

Investment objective

The Company’s investment objective is to provide shareholders with long-term total returns by investing predominately in a portfolio of UK listed companies.

Investment policy

The Company seeks to achieve its investment objective by investing predominately in a portfolio of UK listed companies. The Company may from time to time also invest in companies listed outside the UK and unlisted securities.

The investment policy is subject to the following restrictions, all of which are at the time of investment:

- the maximum permitted investment in companies listed outside the UK at cost price is 20 per cent. of the Company’s gross assets;

- the maximum permitted investment in unlisted securities at cost price is 10 per cent. of the Company's gross assets;
- there are no pre-defined maximum or minimum sector exposure levels but these sector exposures are reported to and monitored by the Board in order to ensure that adequate diversification is achieved;
- the Company's policy is not to invest more than 15 per cent. of its gross assets in any one underlying issuer (measured at the time of investment), including in respect of any indirect exposure through Castelnau;
- the Company may from time to time invest in other UK listed investment companies, but the Company will not invest more than 10 per cent. in aggregate of the gross assets of the Company in other listed closed-ended investment funds; and
- save for Castelnau, the Company will not invest in any other fund managed by the AIFM.

While there is a comparable index for the purposes of measuring performance over material periods (being the FTSE All-Share Index (total return)), no attention is paid to the composition of this index when constructing the Company's portfolio and the composition of the portfolio is likely to vary substantially to that of the index. The portfolio will be relatively concentrated. The exact number of individual holdings will vary over time but typically the portfolio will include core holdings in 15 to 20 companies. The Company may use derivatives and similar instruments for the purposes of capital preservation.

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

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

4. GEARING

The Board is responsible for setting the Company's gearing policy and for the limits on gearing and while the Company is not prohibited from incurring borrowings for working capital purposes, the Board has no current intention to utilise borrowings.

The Company has a policy not to invest more than 10 per cent. of its gross assets in other UK listed closed-ended investment funds. As a consequence of its investments, the Company may therefore itself be indirectly exposed to gearing through the borrowings from time to time of these underlying investment companies.

It is expected that the Company's gearing strategy and policy, as described above, will remain unchanged following completion of the Proposals.

5. DIVIDEND POLICY

The Company does not have a fixed dividend policy. However, the Board expects to distribute substantially all of the net revenue arising from the Portfolio. Accordingly, the Company is expected to pay a single annual dividend in respect of each financial year (usually payable in June each year) that may vary. The Company paid a final dividend of 3.45 pence per Share on 20 June 2024 in respect of the financial year ended 31 December 2023. However, in the light of the Scheme, the Board has decided to pay the Aurora Interim Dividend of 3.00 pence per Share in respect of the period to 30 September 2024 which is expected to be paid on 6 December 2024 to Shareholders on the Register as at close of business on 1 November 2024. Shares will go ex-dividend on 31 October 2024, and the last day for elections under the dividend re-investment plan operated by the Registrar will be 15 November 2024. The Aurora Interim Dividend is being paid so as to ensure that Existing Aurora Shareholders do not suffer a dilution to the level of income that would be distributed in respect of the period from 31 December 2023 to 30 September 2024 as a result of the Scheme. Artemis Alpha Shareholders receiving New Shares in connection with the Scheme will not be entitled to receive the Aurora Interim Dividend in respect of their New Shares. However, such Artemis Alpha Shareholders will be entitled to participate in any dividends declared by the Company with a record date after the date of the issue of New Shares to them.

The Company conducts its business so as to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the Investment Trust Tax Regulations, the Company does not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

6. SHARE CAPITAL

The Company's share capital only comprises ordinary shares with a nominal value of 25 pence each, all of which are listed on the Official List in the closed-ended investment funds listing category and admitted to trading on the Main Market. Shareholders are entitled to such dividends (if any) as are declared by the Company and are entitled, on a return of capital on a winding up or otherwise, to all undistributed revenue of the Company and to the residual capital of the Company which remains after satisfying any liabilities.

At the annual general meeting of the Company held on 12 June 2024, Shareholders granted the Board authority to, amongst other things: (i) allot, or re-issue from treasury, Shares representing up to a maximum of 20 per cent. of the Company's issued Share capital as at 12 June 2024 on a non pre-emptive basis for cash; and (ii) buy back up to 14.99 per cent. of the Company's issued Share capital as at 12 June 2024. Both authorities were stated to expire at the annual general meeting of the Company to be held in 2025 or, if earlier, on the expiry of 15 months from the date of the passing of the relevant resolution.

As at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, the Directors have general authority to issue, on a non pre-emptive basis for cash, up to 15,258,544 Shares.

At the General Meeting, the Board will seek authority to allot up to 80 million New Shares in connection with the Proposals. Such authority will not impact on the Company's existing authorities to allot Shares taken at the annual general meeting of the Company held on 12 June 2024.

6.1. Share issuance

The Board will only issue new Shares at prices greater than the prevailing Net Asset Value per Share and when it is in the best interests of Shareholders generally to do so. In no circumstances would the Board use any general allotment authority to dilute the interests of Shareholders by issuing Shares at a price which would result in the dilution of the Net Asset Value per Share. Shares that are issued to the AIFM in settlement of the AIFM's performance fee are issued at a price deemed equivalent to the latest available unaudited Net Asset Value per Share of the Company (as announced daily) as at the date of allotment pursuant to the Management Agreement.

6.2. Share repurchases

The Board will exercise the authority to purchase Shares to support the management of the Share price discount to the NAV per Share and when it considers that a Share buyback represents the best use of Shareholders' funds. The Board believes that the Company's ability to repurchase its own shares is in the interests of all Shareholders as it enhances the NAV per Share for the remaining Shareholders and can help to reduce the volatility in the discount of the Company's Share price relative to its NAV per Share. The timing, price and volume of any buyback of Shares will be at the absolute discretion of the Board and is subject to the Company having sufficient working capital for its requirements and distributable profits available.

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

Shares purchased by the Company may be cancelled or held in treasury (or a combination of both). Any Shares held in treasury may be subsequently cancelled or sold for cash. The sale of Shares from treasury will be subject to the Companies Act and the UK Listing Rules and the provisions relating to rights of pre-emption contained therein to the extent not disapplied.

7. DURATION OF THE COMPANY

The Company does not have a fixed life, but Shareholders are given the opportunity to vote on the continuation of the Company at every third annual general meeting of the Company (the “**Continuation Vote**”), with the next Continuation Vote expected to be put forward at the annual general meeting of the Company to be held in June 2025.

8. NET ASSET VALUE CALCULATIONS AND VALUATION POLICY

The Net Asset Value is the value of all assets of the Company less its liabilities (including provisions for such liabilities). The Net Asset Value per Share is the Net Asset Value divided by the number of Shares in issue at the relevant time (excluding any Shares held in treasury).

Under the Management Agreement, Phoenix is responsible for the proper valuation of the Company’s assets and calculating the Company’s Net Asset Value per Share.

The Company has engaged the Company Secretary to assist Phoenix with the determination of the Company’s Net Asset Value and the Net Asset Value per Share, subject to the overall supervision and direction of Phoenix. The unaudited Net Asset Value per Share is calculated in Sterling on each dealing day (on a cum-income basis) by Phoenix and is announced by the Company on a daily basis through an RIS.

The Net Asset Value of the Company at any date shall be determined in accordance with IFRS, save in respect of IFRS 2 as explained below, and in accordance with the recommendations of the AIC, including the following:

- the value of the Portfolio, determined by the current market price for the assets within the Portfolio, including those assets purchased but not yet settled;
- the value of the Company’s liabilities, including all accrued expenses, brokerage commissions, unsettled transactions and interest expense;
- the value of the Company’s cash balances, including transacted but unsettled capital gains and losses, dividend income after ex-date (but before payment date) and accrued interest not yet credited; and
- an accrual for Phoenix’s compensation.

In valuing the Company’s assets for this purpose, each investment will be valued in accordance with valuation policies and procedures agreed by Phoenix, the Company Secretary and the Directors.

The Company recognises performance fees and clawbacks on performance fees paid in prior performance periods under IFRS 2 Share Based Payments in its half-yearly reports and unaudited financial statements and its annual reports and audited financial statements. However, in the Company’s unaudited daily NAV, the current performance fee and clawback(s) on fees paid in prior performance periods are recognised on a liability/asset basis, which diverges from the Company’s accounting policy.

The Company holds a small proportion of unquoted investments. Unquoted investments are measured at fair value in accordance with the International Private Equity and Venture Capital valuation guidelines and IFRS 9 (Financial Instruments). The valuation method in respect of unquoted investments is based on a proportionate share of each unquoted company’s net asset value as calculated by Phoenix, and may be adjusted to take account of changes and events to the reporting date, or other facts and circumstances which may impact the underlying value of unquoted investments. This valuation method has been independently reviewed and discussed with the Company’s external auditor. The Board considers the unquoted investment valuation method to be supportable, reasonable and robust.

The Board may determine that the Company should temporarily suspend the determination of the NAV per Share when the values of any investments owned by the Company cannot be promptly, accurately or without undue expenditure, ascertained. Any suspension in the calculation of the NAV per Share will be notified to Shareholders through an RIS as soon as practicable after such suspension occurs.

9. ANNUAL GENERAL MEETINGS, REPORTS AND ACCOUNTS

The Company held its last annual general meeting on 12 June 2024 and expects to hold its next annual general meeting in June 2025. The annual report and audited financial statements of the Company are made up to 31 December in each year, with copies expected to be sent to Shareholders within the following four months. The Company also publishes interim reports and unaudited interim condensed financial statements covering the half-yearly financial period to 30 June each year, which are usually despatched within three months of that date. The Company's financial statements are prepared in Sterling in accordance with the UK-adopted International Accounting Standards ("IFRS"). They include an income statement, statement of financial position, statement of changes in equity and cash flow statement, related notes and any additional information that the Board deems appropriate or that is required by applicable law.

The Company's 2023 Annual Report was published on 26 March 2024 and is available on the Company's website. For the avoidance of doubt, such website and its contents are not incorporated by reference into this Prospectus. The Company's 2024 Interim Report was published on 25 September 2024. The Company's next annual report and audited financial statements will be prepared to 31 December 2024.

Any ongoing disclosures required to be made to Shareholders pursuant to the UK AIFMD Laws and the EU AIFM Directive will (where applicable) be contained in the Company's periodic or annual reports or on the Company's website, or will be communicated to Shareholders in written form as required.

In accordance with the UK AIFMD Laws, the AIFM will ensure that the following information in relation to the Portfolio is published in the Company's annual report and audited annual financial statements:

- the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Company;
- the current risk profile of the Company and the risk management systems employed to manage those risks;
- any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement. The Company will, in addition, notify Shareholders of any such changes, rights or guarantees without undue delay by issuing an announcement through an RIS; and
- the total amount of leverage employed by the Company.

10. TAXATION

The Company has been approved by HMRC as an investment trust. The Directors believe that the affairs of the Company have been conducted so as to continue to satisfy the conditions to qualify as an investment trust under section 1158 of the Corporation Tax Act and, on this basis, the Company should therefore be exempt from UK taxation on its capital gains in its Portfolio. The Company will be liable to UK corporation tax on its income in the normal way, with dividend income generally being exempt from UK corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates but double taxation relief may be available.

A guide to the general UK taxation position as at the date of this Prospectus is set out in Part 6 (UK Taxation) of this Prospectus.

If you are in any doubt as to your taxation position, or are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.

11. UK MAR AND THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

As a company whose shares are admitted to trading on the Main Market, the Company complies with all of the provisions of UK MAR and the Disclosure Guidance and Transparency Rules which are applicable to it.

The Directors have adopted a share dealing code that is compliant with UK MAR. The Board is responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors and other persons discharging managerial responsibilities.

The Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) must notify the Company if the proportion of the Company's voting rights that they then hold directly or indirectly as a Shareholder or through a direct or indirect holding of certain financial instruments reaches, exceeds or falls below thresholds of three per cent., four per cent., five per cent., six per cent., seven per cent., eight per cent., nine per cent. and ten per cent. and each one per cent. thereafter up to 100 per cent.

PART 2 – MARKET OUTLOOK, INVESTMENT STRATEGY AND PORTFOLIO

1. MARKET OUTLOOK

Phoenix believes that the perennial underperformance of the UK market has turned and that certain of the macroeconomic forces that have hamstrung UK markets are now subsiding, in particular:

- the long disinvestment of UK equities by domestic pension schemes is now near complete and there is little left to divest;
- the negative political developments that undermined the external attractiveness of the UK for investment may now be reversed under a new government; and
- the Brexit effect, which includes the referendum result, the period of negotiation and then the negative impact of implementation have now largely happened.

On the other hand:

- pragmatic decisions are now beginning to be made, undoing some of the negative impacts of the way Brexit was implemented: some of these are technical agreements that impact trade but also include collaborative programmes like Horizon for scientists that the UK has re-joined;
- the cheapness of UK equities, even though bidders must pay significant premiums to prevailing share prices, has caused a surge in the number of acquisitions of UK businesses, with the Portfolio having recent exposure to two of these (being the takeovers of Hotel Chocolat Limited and Hargreaves Lansdown PLC); and
- UK companies are buying back their shares at an unprecedented rate. It has long been a frustration of Phoenix that there was a negative perception in the UK about buybacks and a pressure from income funds to pay dividends over buybacks. Phoenix believes, to the contrary, that when a company's equity is cheap it is very value enhancing for remaining shareholders to buy back equity. By 2023, share buybacks had risen to 40 per cent. of the FTSE100 buying back their shares and that has increased and extended into the FTSE250 in 2024.

Phoenix therefore believes that the UK economy, which has lagged since Brexit, is finally showing signs of performing better relative to its peers, and this is aided by the fact that the new Labour Government is hungry to prove its credentials. Further pragmatic solutions may continue to be introduced that reduce the negative impact of Brexit, which is also beneficial to the EU.

The Company has a UK focused Portfolio, which Phoenix believes is priced attractively, that is generating profits. If the UK economy continues to pick up momentum, as it has done this year, then the Portfolio will benefit from that. Housebuilding is the only part of the Portfolio directly impacted by the policy goals of the Labour Government, and so far, the signs are positive. If such policy goals are successfully implemented, Phoenix believes that the Portfolio will be very well placed: in particular, Barratt Redrow will be the UK's largest, and Phoenix believes, best (on many criteria) housebuilder.

2. INVESTMENT STRATEGY

The Company's investment strategy is to buy shares in high quality businesses at times when they are out of favour and Phoenix considers that the share price is low, thus offering high risk-adjusted returns. Phoenix believes that this is likely to mean that, often, the future intrinsic value of the investment portfolio is being increased the most when the Company's Net Asset Value and/or Share price is falling. These falls might be exaggerated in a bear market. Phoenix believes that the long-term value of a business is driven by the underlying fundamentals of the business and not the share price, and that extensive knowledge of the fundamentals of a business mitigate the investment risk. Where a business is identified as having strong business fundamentals, Phoenix view low share prices as an opportunity to buy more shares.

A deep understanding of why a business has a sustainable competitive advantage and why its customers choose to use it, and will continue to do so, takes a long time to acquire and can require a lot of focused work, including fieldwork and a good understanding of human behaviour and motivation. Phoenix's approach is long-term. It is rare for a company with excellent prospects to trade cheaply, and

so Phoenix tends to be busiest when the market is depressed, and it can take advantage of short-term turbulence. If there is nothing to do, Phoenix does nothing, whilst its cash builds and it awaits further opportunities.

3. THE COMPANY'S PERFORMANCE TRACK RECORD

The Company has achieved strong NAV total returns, outperforming the Benchmark Index over the long-term net of fees. In recent years, markets have been dominated by large cap growth companies, with index returns driven by a small number of these tech giants, and the UK market has been buffeted by the economic and political instability following the Brexit vote. This was a challenging environment for active management. Nevertheless, the Company has delivered good outcomes to Shareholders with the NAV total return outperforming the Benchmark Index across most time frames and delivering robust returns versus peers.

The Company's cumulative performance to 21 October 2024 over various time periods is set out in the following table.

Cumulative Performance to 21 October 2024 (%)	Since 28 January 2016 ¹	5 Years	3 Years	1 Year	Year to Date
Share Price Total Return	86.7	29.5	13.6	26.2	4.3
NAV Total Return ²	101.2	42.8	17.7	27.0	4.0
Benchmark Index Total Return ³	90.9	36.2	23.5	18.1	10.8

Source: Bloomberg. **Past performance does not predict future returns and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested.**

Notes

1. 28 January 2016 was the date on which Phoenix was appointed as the Company's alternative investment fund manager.
2. NAV total return is based on NAV including income with debt at fair value, after all manager fees (including Phoenix's fees) and allows for any tax reclaims when they are achieved.
3. FTSE All-Share Index (total return)

4. THE COMPANY'S PORTFOLIO

As at close of business on 21 October 2024, the Portfolio comprised investments and cash with an aggregate unaudited value, calculated in accordance with the Company's usual accounting policies, of approximately £214.1 million.

The Company's Portfolio was, as a percentage of net assets, 78.5 per cent. invested in listed equities as at 21 October 2024.

The information in this paragraph 4 is unaudited information on the Company, which has been extracted from the internal management accounting records held by the Company.

The following table shows the Company's top ten equity investments (as a percentage of net assets) as at 21 October 2024.

Company Name	Country	Sector	Percentage of net assets (%)
Frasers Group plc	United Kingdom	Retail	18.79
Castelnau Group Limited*	Guernsey	Financial	16.16
Barratt Developments plc	United Kingdom	Construction	13.52
Lloyds Banking Group plc	United Kingdom	Financial	9.06
Ryanair Holdings Plc	United Kingdom	Leisure	5.49
Bellway Plc	United Kingdom	Construction	4.51
RHI Magnesita N.V.	Austria	Materials	4.15
AO World plc	United Kingdom	Retail	3.18
easyjet Plc	United Kingdom	Leisure	2.74
Netflix Inc	United States	Media	2.62

* Castelnau is a multi-sector financial holding company, listed on the Specialist Fund Segment of the London Stock Exchange. Castelnau is also managed by Phoenix and its value is excluded from the Company's net assets when calculating performance fees earned by Phoenix to avoid double charging.

The following table shows the geographic and sectoral breakdown of the Company's portfolio (based on percentage of net assets) as at 21 October 2024.

Sector Allocations	Percentage of net assets (%)	Regional Allocation	Percentage of net assets (%)
Retail	28.0	United Kingdom	76.7
Financial	25.6	Western Europe	10.9
Construction	18.1	North America	4.2
Leisure	11.2	Cash	8.2
Cash and other net assets	8.2		
Materials	4.1		
Media	2.6		
Government	2.1		
Industrial	0.2		

The Enlarged Company's portfolio will, immediately following the Scheme becoming effective, constitute a combination of the Portfolio and the investments and cash apportioned to the Rollover Pool that will transfer to the Company pursuant to the Scheme. The investments in the Rollover Pool will only comprise assets aligned with the Company's investment policy as at the Effective Date, including cash and cash equivalents. It is expected, that following implementation of the Scheme, the portfolio of the Enlarged Company will be managed in the same way as it is currently by Phoenix.

5. RECENT INVESTMENTS

The Company has not made any material new investments since 30 June 2024 (being the date as at which unaudited financial information was last published by the Company).

In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

6. ESG APPROACH

ESG is formally incorporated into the Company's investment process via the DREAM framework (Phoenix's proprietary evaluation and assessment manual) through which Phoenix scores all current and potential investments on three sections: Business, Management and Price. Environment and Social are both scored within the Business criterion and Governance is scored within the Management section.

Phoenix's overarching philosophy is that businesses that act positively regarding ESG factors are more likely to be successful and that this has a positive impact on intrinsic value.

Phoenix's aim is not to exclude certain sectors or companies from its investment universe, but better understand their impact from an ESG perspective. It is Phoenix's belief that future winners will be the best operators from an ESG perspective in the industry in which they operate. Phoenix does however restrict tobacco and arms companies from its investment universe at present.

Phoenix does not set formal responsible investment targets. Its objectives thus far have been to embed the analysis of Environmental and Social factors into its research process since it introduced them in 2020. Phoenix wishes to broaden its engagement with investee companies, and will continue to do so. Going forward Phoenix will seek to deepen its expertise in the analysis of Environmental and Social issues so it can incorporate them with greater effect into the investment process.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY

1. DIRECTORS

The Company operates with an experienced non-executive Board of Directors, bringing investment and corporate skills and experience of closed-ended funds to their oversight roles. The Directors, each of whom is non-executive and all of whom are independent of the AIFM, are responsible for the determination of the investment policy of the Company and the overall supervision of the Company, including the review of the Company's investment activity and performance, and the control and supervision of the AIFM's activities in relation to the Company. The Directors are as follows:

Lucy Walker (Chair): Lucy Walker joined the Board on 2 December 2019 and became Chair of the Company on 28 June 2022. She is a founder, chair, board director and adviser in investment management, technology and not-for-profit organisations. Lucy founded AM Insights, a fund data platform for the asset and wealth management industry. She is also senior independent director of Henderson International Income Trust plc and interim chair of the audit and risk committee at SportsAid. Lucy is a former fund researcher and fund manager at Sarasin & Partners LLP and HSBC Global Asset Management.

Farah Buckley: Farah Buckley joined the Board as a non-executive Director on 8 September 2022 and became chair of the Audit Committee on 27 February 2023. She has spent over 22 years in financial services across audit, mergers & acquisitions and private equity. Previously the Head of Investment Solutions at asset manager Hermes GPE and the Head of UK at Adveq, the Swiss private equity investor, Farah brings extensive experience of growth, innovation and strategy. Farah worked at boutique corporate finance house McQueen where she worked on numerous deals within the retail, consumer and leisure sectors. She is a qualified chartered accountant having gained her ACA qualification at Deloitte. Farah is a non-executive director of Caledonia Investments plc, Leeds Building Society, Lloyds of London managing agent, Apollo Syndicate Management Limited and Long Term Assets Limited.

Lady Rachael Robathan: Lady Robathan joined the Board on 2 December 2019 and served as Audit Committee chair from then until 8 September 2022, when she became chair of the Management Engagement Committee and the Nomination & Remuneration Committee. She was the Leader of Westminster City Council until the elections in May 2022 since when, until January 2024, she was the Leader of the Opposition. First elected in 2010, she held the Finance, Property and Housing Cabinet portfolios before becoming Leader. Prior to this, Lady Robathan worked for 20 years in emerging market investment management at Invesco and AIB Govett before joining Pictet as part of the UK based Family Office team. She is also a Trustee of Westminster Almshouses Foundation, a sheltered housing charity, a director of The Knightsbridge Neighbourhood Forum Limited and until May 2022 was a Trustee of The Royal Parks and remains a member of the Investment Committee.

David Stevenson: David Stevenson joined the Board as a non-executive Director on 2 February 2016. He is a columnist for the Financial Times, Citywire and Money Week and author of a number of books on investment matters. He is the chairman of Secured Income Fund Plc and a non-executive director of Gresham House Energy Storage Fund Plc and Castelnau Group Limited (Guernsey). He is also a director of ETF Stream Limited and Stockmarkets Digest Limited. He was the founding director of Rocket Science Group Holdings Limited and of AltFi Limited, which is now part of ETFStream.com. David has also been a strategy consultant to a number of asset management firms and investment banks.

It has been agreed that none of the Artemis Alpha Directors will join the Board as part of the Proposals. Accordingly, the Board will continue to consist of the four incumbent Directors upon completion of the Scheme.

2. MANAGERIAL, SECRETARIAL, ADMINISTRATION AND DEPOSITARY ARRANGEMENTS

2.1. Managerial arrangements

2.1.1. Background to Phoenix

Phoenix has been appointed as the Company's alternative investment fund manager to provide overall portfolio and risk management services to the Company. Phoenix is a specialist fund management company founded in 1998 in Barnes, southwest London that is authorised and regulated in the United Kingdom by the Financial Conduct Authority. The Company's lead portfolio manager is Gary Channon, Phoenix's Chief Investment Officer.

Phoenix is a limited liability company, incorporated and registered in England and Wales on 20 February 1998 with registered number 03514660. Phoenix's registered office is at 64-66 Glenthams Road, Barnes, London SW13 9JJ. Phoenix is registered under the UK AIFMD Laws as a full scope authorised UK AIFM and, under the terms of the Management Agreement, has acted as the Company's alternative investment fund manager since 28 January 2016. In total, there are 25 members of the Phoenix team: twelve on the investment side, four in marketing and investor relations and the remainder in operations and compliance.

2.1.2. Phoenix's investment philosophy

Phoenix aims to protect and compound capital over the long-term, exposing investors to lower levels of risk and generating higher returns than passive strategies.

Phoenix believes that valuations of businesses based upon long-term modelling are highly subjective and prone to error, and has, therefore, focused on building the specific expertise to identify businesses that earn a high and sustainable return on their standing capital and retained capital in a way that is understandable, and which Phoenix can observe in its monitoring programmes. Phoenix believes that such economic moats allow it to build long-range models and market valuation assumptions that it has confidence in. These are then combined with a high margin of safety in the price Phoenix is willing to pay in order to take account of the risk of error and the inherent unpredictability of the future. If that price is not reached, Phoenix will not act.

Phoenix further believes a deep understanding of why a business has a sustainable competitive advantage and why its customers choose to use it, and will continue to do so, takes a long time to acquire and can require a lot of focussed work, including fieldwork and a good understanding of human behaviour. Phoenix therefore looks for businesses to collect as future opportunities and not for current investments which gives it the time to build the knowledge that it needs to call upon should a valuation opportunity suddenly open.

Phoenix back management teams that pay attention to alignment and competence: it seeks out great managers who have built winning cultures.

Phoenix also has a willingness to do nothing, letting the internal rates of return in the businesses it holds create the long-term investment return, and waiting for opportunities to act whenever they arise. This means that Phoenix will have years in which it does not make investments, and its cash position may build. Phoenix believes that not being compelled to act and a willingness to hold cash in the absence of opportunity gives it an edge to outperform a continually fully invested benchmark.

In summary, Phoenix believes that if you have the expertise to identify some businesses that have high and sustainable returns on their capital that can be owned for the very long-term, and you have the patience to wait and only invest in them when they trade so cheaply that it covers your risks of error, and you do not care about what the share price will do in the short and medium term, and you have capital that supports that, then you have an advantage over most other investors of all forms. Phoenix further believes that if you stick to businesses that you know well and then watch business in action and monitor how the world is unfolding in comparison to the assumptions you have made in your assessments, then you can reduce your risk of error further, and, finally, if you do everything in a framework that is able to incorporate errors as learnings, then you will improve with time.

2.1.3. Implementing Phoenix's investment philosophy

The Phoenix team read, think and, occasionally, act. It has developed a philosophical and analytical framework designed to minimise human biases that draws upon the wisdom of others, deep analysis, real world information gathering and clear thinking. This allows Phoenix to assess some businesses and managements to a level whereby it is able to value them to a degree of confidence that supports an investment decision at a determined price. This framework is the most substantial individual element of the Phoenix research process.

It is organised in such a way so as to cultivate deep business learning, drawing upon many sources of knowledge, information and wisdom. By applying a consistent methodology to the way in which it assesses, evaluates and models businesses and a consistent way in which it makes investment decisions, combined with a feedback loop, Phoenix has been able to develop a learning framework that has improved through time. Phoenix has been built as a learning organisation and this permeates its culture.

Phoenix looks for businesses with high and enduring returns on capital, and evaluates the economic moats that give the investee company a sustainable advantage in maintaining cash return on capital invested (CROCI). This can include their pricing power, current market position, market potential, barriers to entry, regulatory risk, transparency, reputation in the industry, and ESG credentials. Transparency is especially important to Phoenix as it monitors the competitive dynamics of all its businesses.

When Phoenix invests in a company, it considers this as handing money directly to a management team, so it looks for management that pays attention to their alignment and competency within the business: it pays particular attention to the alignment of the CEO, Finance Director, chair and the board, including how many shares they own, how they are incentivised, and their attitude, transparency and track record with shareholders. Phoenix also seeks out great managers who build and maintain winning cultures because it believes these are the people who will act in the interest of the business and shareholders.

All this information allows Phoenix to assess the upside to intrinsic value of a business. It also considers predictability, size, liquidity, leverage and free float when determining the price it will pay for an investment. It adds a high margin of safety to this price, accounting for any potential error and the inherent unpredictability of the future. Unless this target price for investment is reached, Phoenix does not act.

2.1.4. The Phoenix team

At the heart of Phoenix's investment operation is a team dedicated to the understanding, analysing and monitoring of businesses and industries. The team members are students of business and investing and because of the unusual structure of the Phoenix group, it is able to create a fusion of the best ideas and knowledge from the worlds of business, investment, private equity and venture capital.

Phoenix believes the depth and quality of this work gives it a considerable edge. It is a team of diverse and capable brains selected, developed and organised in a way to make the most of that collective wisdom. It also draws upon an ever-widening network of expertise from many fields and industries that has developed throughout its history.

2.1.5. The Company's lead Portfolio manager

Gary Channon, the Company's lead Portfolio manager, is the Chief Investment Officer of Phoenix and has been so throughout Phoenix's history. Before founding Phoenix in 1998, he was Co-Head of Equity and Equity Derivatives Trading at Nomura International. Before joining Nomura, he worked at Nikko and Goldman Sachs. Gary is the controlling shareholder of Phoenix.

2.1.6. The terms of Phoenix's appointment

Under the terms of the Management Agreement, Phoenix has been appointed by the Company with responsibility for the provision of discretionary portfolio management and risk management services, subject to the overall supervision of the Board in accordance with the policies laid down by the Board from time to time.

The Management Agreement is terminable on not less than twelve months' notice and, pursuant to its terms, Phoenix is subject to a unique fee arrangement whereby it receives no base management fee and is remunerated only by way of a performance fee equal to one third of the outperformance of the Company's NAV total return over the FTSE All-Share Total Return Index for each financial year (or, where no performance fee is payable in respect of a financial year, in the period since a performance fee was last payable), which is calculated by reference to the average of the Company's net assets (before any performance fee accrual and adjusted by adding back any dividends paid or payable and for the effect of any share buybacks) on each business day over the performance period and crystallises on an annual basis as at 31 December.

The performance fee is subject to a cap of: (i) 4 per cent. per annum of the end of year Company NAV in the event that the Company's NAV per Share has increased in absolute terms over the period; or (ii) 2 per cent. in the event that the Company's NAV per Share has decreased in absolute terms over the period. Excess outperformance is carried forward and only paid if the Company outperforms, and such cap is not exceeded, in subsequent years.

When a performance fee is payable, it is paid by way of the issuance of Shares, which are subject to a fixed three-year lock-in period, at the end of which a test is performed and if there has been underperformance during the lock-in period, the Company is entitled to require Phoenix to transfer back to the Company some or all of the Shares it received in satisfaction of the performance fee. In the event that Phoenix is required to transfer such Shares back to the Company, the performance fee calculation in respect of subsequent performance periods is adjusted to take account of the level of outperformance lost as a result of the exercise of such claw back, with a view to ensuring that Phoenix is able to earn a performance fee on the basis of cumulative long term outperformance (including lost outperformance which is subsequently regenerated).

The performance fees payable to Phoenix under the Management Agreement will not be amended in connection with the Proposals save that the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be excluded from the calculation of the Company's NAV total return for the purposes of calculating Phoenix's performance fees. As the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be reflected in the Company's net assets with effect from the business day immediately following the Effective Date of the Scheme, it is expected that the increased NAV will be reflected, on a time weighted basis, in the average net assets used for purposes of calculating the performance fee payable to Phoenix during the current performance period.

Further details of the terms of the Management Agreement are set out in paragraph 12.1 of Part 7 (*General Information*) of this Prospectus.

2.2. Company secretary and administrator

The Company has appointed Frostrow Capital LLP to provide company secretarial, finance, accounting and administration services to the Company and also to serve as the Company's investor relations and marketing adviser pursuant to the Administration and Distribution Agreement. A summary of the Administration and Distribution Agreement is set out in paragraph 12.2 of Part 7 (*General Information*) of this Prospectus.

2.3. Depositary

Northern Trust Investor Services Limited (the “**Depositary**”) has been appointed as the depositary and custodian to the Company pursuant to the Depositary Agreement (as supplemented from time to time) entered into with the Company and the AIFM. A summary of the Depositary Agreement is set out in paragraph 12.3 of Part 7 (*General Information*) of this Prospectus.

The Depositary’s responsibilities include cash monitoring, safekeeping of the Company’s financial instruments, verifying ownership and maintaining a record of other assets, and monitoring the Company’s compliance with investment limits and leverage requirements. The Depositary has not contractually discharged any of its liabilities under the Depositary Agreement in respect of any delegated services.

2.4. Registrar

Link Group (the “**Registrar**”) has been appointed as the Company’s registrar pursuant to the Registrar Agreement. The Registrar is responsible for, among other things, the maintenance of the Register and for the transfer and settlement of Shares, as applicable. A summary of the Registrar Agreement is set out in paragraph 12.4 of Part 7 (*General Information*) of this Prospectus.

2.5. Auditor

The statutory auditor to the Company is BDO LLP (the “**Auditor**” or “**BDO**”). BDO is independent of the Company and registered to carry on audit work in the UK and the Republic of Ireland by the Institute of Chartered Accountants in England and Wales. The Auditor’s responsibility is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. Following the recommendation of the Audit Committee, BDO was appointed by the Board to audit the Company’s annual report and audited financial statements for the financial year ended 31 December 2022. BDO’s appointment was approved by Shareholders at the Company’s AGM held on 27 June 2023 and BDO was re-appointed as auditor at the Company’s annual general meeting held on 12 June 2024. The Company’s financial statements are prepared in Sterling in accordance with IFRS.

3. CORPORATE GOVERNANCE

The Board is committed to high standards of corporate governance. The Board places considerable emphasis on running the Company in a way it believes is best suited to the successful management of an investment trust on behalf of its Shareholders. In doing so, the Board has considered the principles and recommendations of the AIC Code. The AIC Code addresses all of the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations which are of specific relevance to investment companies. The Company is a member of the AIC and reports against the AIC Code.

The Company complies with the recommendations of the AIC Code and the relevant applicable provisions of the UK Corporate Governance Code, except as set out below. The Board considers that the following provisions are not relevant to the position of the Company, being an externally managed investment company with no employees. The Company has therefore not reported further in respect of these provisions:

- Senior Independent Director – being small in number, the Board has decided not to nominate a Senior Independent Director.
- Executive Directors – The UK Corporate Governance Code includes provisions relating to the role of the chief executive and executive Directors’ remuneration. The Board considers these provisions are not relevant to the Company as it does not have any employees and, as such, it does not have any executive Board members.
- Internal Audit function – The UK Corporate Governance Code includes provisions for an internal audit function. For the reasons set out in the AIC Code, the Board considers these provisions are not relevant to the Company as it is an externally managed investment company. In particular, all of the Company’s day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no internal operations.

3.1. Board independence, composition and tenure

The Chair and each of the other Directors is independent of the AIFM and each Director is non-executive.

In particular, notwithstanding the provisions of the AIC Code, the Board considers that David Stevenson, as the Company's nominated representative on the board of Castelnau, is independent of the AIFM. The Board considers that the provisions in place to manage actual or potential situational conflicts of interest are sufficiently robust and has concluded that Mr Stevenson continues to demonstrate independence of character and judgement. In addition, in accordance with the Company's conflicts of interest policy, Mr Stevenson will recuse himself from any decisions relating to Castelnau.

The Chair is responsible for, amongst other things: Board leadership; promoting high standards of governance; ensuring that the Board is provided with sufficient information to enable it to discharge its duties; and ensuring that each Board member's views are considered and appropriate action taken. The executive responsibilities for investment management have been delegated to the AIFM.

Each Director is subject to the election/re-election provisions as set out in the Articles. These provide that, *inter alia*: (i) one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company; (ii) any Director who was elected or last re-elected at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation at each annual general meeting of the Company; and (iii) any such retired Director may stand for re-election at the annual general meeting at which they retire. Notwithstanding the provisions of the Articles, the Company's policy is that each Director is subject to annual re-election in accordance with the provisions of the AIC Code. The Directors recognise that independence is not a function of length of service and that experience is an important attribute within the Board. The Board also believes that a variety of Director tenures within the boardroom can be beneficial to ensure Board quality and continuity of experience and provide flexibility in succession planning. Before being considered for election or re-election, the performance of each Director is subject to evaluation by the Nomination & Remuneration Committee with a recommendation then being made to the Board on whether it is appropriate for each Director to be put forward for re-election. Accordingly, the Board does not consider it appropriate that Directors should be appointed for a specific term. However, the tenure of all Directors, including the Chair, is not ordinarily expected to serve beyond the ninth annual general meeting of the Company following their appointment.

The AIC Code provides that the Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors. Accordingly, the Nomination & Remuneration Committee, on behalf of the Board, conducts a review of the Board's strengths and weaknesses with the aim of ensuring that there is available a good balance of attributes that are useful to the direction of the Company, in addition to the skills and commitment of the AIFM.

It is the policy of the Board and the Nomination & Remuneration Committee that the remuneration of the Directors should be fair and should reflect the experience, time commitment and work involved, responsibilities and liabilities of the Board as a whole. The Directors' fees are determined within the maximum limit set out in the Articles, which currently stands at £250,000 per year. The Directors' fees are subject to regular review by the Nomination & Remuneration Committee having regard to the above factors, the rate of inflation and fee trends in the investment company sector. Notwithstanding the above, the Company's Articles also provide that reasonable additional remuneration as the Board may from time to time determine can be made for special duties or services which in the opinion of the Board are outside the scope of the ordinary duties of a Director. The Directors are not eligible for bonuses, pension benefits, share benefits, share options, long-term incentive schemes or other benefits and fees are not linked to each Director's individual or the Board's collective performance.

3.2. Audit Committee

The role of the Audit Committee is, broadly, to assist the Board in carrying out its responsibilities relating to the Company's accounting policies, internal controls, risk management and financial reporting functions. The Audit Committee also reviews the scope, results, cost effectiveness, independence and objectivity of the Company's external auditors. Farah Buckley chairs the Audit Committee, which meets at least twice per year.

3.3. Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been established to identify and interview candidates for vacancies on the Board, consider the Board's remuneration and undertake Board appraisals. Lady Rachael Robathan chairs the Nomination & Remuneration Committee and all Directors are members. The Nomination & Remuneration Committee meets at least annually, and has written terms of reference that include to: (i) consider succession planning arrangements; (ii) oversee the Board's appraisal process; (iii) consider the engagement of an external board evaluation agency or recruitment consultant and agree their fees; (iv) consider Board appointments and re-appointments; (v) oversee the recruitment process of additional Board members; and (vi) consider the Board's remuneration.

3.4. Management Engagement Committee

The Management Engagement Committee consider issues related to the engagement of the AIFM and other service providers, making recommendations, as appropriate, to the Board. The Management Engagement Committee considers whether amounts paid to service providers are appropriate, with particular reference to those contracted to the Company on a continuing basis, including the AIFM, and whether those contracts should be maintained. Lady Rachael Robathan chairs the Management Engagement Committee and all Directors are members.

The criteria that are taken into consideration when reviewing the performance of the AIFM are: (i) the performance of the Company; (ii) the AIFM's commitment to the investment trust business generally and to the Company in particular; (iii) the investment management skills and experience, track record, use of gearing, knowledge of currency issues and other investment-related considerations; (iv) the AIFM's general management skills; (v) shareholder relations; and (vi) the reasonableness of the terms of the Management Agreement.

The Management Engagement Committee meets at least annually.

4. FEES AND EXPENSES

4.1. Issue expenses

Save as noted below, each of the Company and Artemis Alpha will bear its own costs in respect of the Proposals irrespective of whether the Proposals proceed. The costs incurred (or to be incurred) by the Company in implementing the Proposals primarily comprise financial advisory fees, legal fees, other professional advisory fees, printing costs and other applicable expenses, in each case including any related VAT and disbursements (the "**Company Fixed Implementation Costs**"). The Company Fixed Implementation Costs are estimated to be approximately £536,976 (including irrecoverable VAT), equivalent to 0.25 per cent. of the Company's Net Asset Value as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus.

Any costs of the realignment and/or realisation of the Artemis Alpha Portfolio prior to the Scheme becoming effective will be borne by Artemis Alpha. Any: (i) sales or acquisition costs (including any commissions, taxes (including stamp duty), transaction charges and/or market charges) associated with the transfer of the Rollover Pool from Artemis Alpha to the Company, or the deployment of the cash therein upon receipt; and (ii) London Stock Exchange admission fees payable in respect of the admission of the New Shares to trading on the Main Market, will be borne by the Enlarged Company and will not be reflected in the ATS Rollover FAV or the Aurora FAV.

Phoenix has agreed to make a contribution of an amount equal to £750,000 towards the direct fixed costs to be incurred by the Company and Artemis Alpha in connection with the Proposals. The Phoenix Costs Contribution will be allocated first to pay the Company Fixed Implementation Costs up to a cap of £500,000 (with such amount being credited to the Aurora FAV), with the balance of the Phoenix Costs Contribution (being at least £250,000) allocated to pay Artemis Alpha's direct fixed costs in connection with the Proposals (with such amount being credited to the ATS Residual Net Asset Value). The exact allocation of the benefit of the Phoenix Costs Contribution between the Company and Artemis Alpha will be calculated as at the Calculation Date and reflected in the calculation of the ATS Rollover FAV and the Aurora FAV accordingly.

The Phoenix Costs Contribution will be effected through a waiver of the performance fees that would otherwise be payable by the Company to Phoenix, up to the financial value of £750,000, in respect of each of the Relevant Periods. In the event that the aggregate performance fees payable in respect of the Relevant Periods is less than £750,000, Phoenix will satisfy any shortfall by transferring Shares it holds to the Enlarged Company or in cash (in either case net of any costs of making such transfer or payment and without the Enlarged Company making any payment to Phoenix). For the avoidance of doubt, any Shares transferred in settlement of any shortfall in the Phoenix Cost Contribution would be in addition to any Shares that may or may not be transferred by Phoenix to the Enlarged Company under the clawback element of the performance fee methodology.

The Phoenix Costs Contribution is subject to a clawback provision such that, in the event of the termination of Phoenix's appointment as AIFM and investment manager to the Enlarged Company on a no-fault basis: (i) on or prior to 31 December 2025, Phoenix will be entitled to claim back 100 per cent. of the Phoenix Costs Contribution; and (ii) between 1 January 2026 and 31 December 2026 (inclusive), 50 per cent. of the Phoenix Costs Contribution.

For the avoidance of doubt, in the event that the implementation of the Scheme does not proceed, each party will bear its own costs and the Phoenix Costs Contribution will not be payable.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

4.2. Ongoing expenses

The Company will also incur ongoing expenses. A summary of the key terms of the ongoing expenses, which are borne by the Company, is set out below, as are those ongoing expenses which are not readily quantifiable.

Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. As at the date of this Prospectus: Lucy Walker, as Chair, is entitled to receive £45,968 per annum; Farah Buckley, as chair of the Audit Committee, is entitled to receive £34,590 per annum; and all other Directors are entitled to receive £29,640 per annum for their services as Directors of the Company.

All of the Directors are also entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at Board, general and committee meetings. The Company's Articles further provide that reasonable additional remuneration as the Board may from time to time determine can be made for special duties or services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director.

Management fee

Pursuant to the Management Agreement, the AIFM receives no base management fee and is remunerated only by way of a performance fee equal to one third of the outperformance of the Company's NAV total return over the FTSE All-Share Total Return Index for each financial year (or, where no performance fee is payable in respect of a financial year, in the period since a performance fee was last payable). The performance fee is calculated by reference to the

average of the Company's net assets (before any performance fee accrual and adjusted by adding back any dividends paid or payable and for the effect of any share buybacks) on each business day over the performance period and crystallises on an annual basis as at 31 December.

The performance fee is subject to a cap of: (i) 4 per cent. per annum of the end of year Company NAV in the event that the Company's NAV per Share has increased in absolute terms over the period; or (ii) 2 per cent. in the event that the Company's NAV per Share has decreased in absolute terms over the period. Excess outperformance is carried forward and only paid if the Company outperforms, and such cap is not exceeded, in subsequent years.

When a performance fee is payable, it is paid by way of the issuance of Shares, which are subject to a fixed three-year lock-in period, at the end of which a test is performed and if there has been underperformance during the lock-in period, the Company is entitled to require Phoenix to transfer back to the Company some or all of the Shares it received in satisfaction of the performance fee. In the event that Phoenix is required to transfer such Shares back to the Company, the performance fee calculation in respect of subsequent performance periods is adjusted to take account of the level of outperformance lost as a result of the exercise of such claw back, with a view to ensuring that Phoenix is able to earn a performance fee on the basis of cumulative long term outperformance (including lost outperformance which is subsequently regenerated).

The performance fees payable to Phoenix under the Management Agreement will not be amended in connection with the Proposals save that the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be excluded from the calculation of the Company's NAV total return for the purposes of calculating Phoenix's performance fees. As the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be reflected in the Company's net assets with effect from the business day immediately following the Effective Date of the Scheme, it is expected that the increased NAV will be reflected, on a time weighted basis, in the average net assets used for purposes of calculating the performance fee payable to Phoenix during the current performance period.

As described in paragraph 4.1 of this Part 3, Phoenix has agreed to make a cost contribution in respect of the Proposals which is expected to offset the direct transaction costs for Shareholders. A summary of the Management Agreement is set out in paragraph 12.1 of Part 7 (*General Information*) of this Prospectus.

Administration and company secretarial fees

Under the terms of the Administration and Distribution Agreement, Frostrow is entitled to receive from the Company an administration and management services fee, which is charged monthly in arrears, and equal to 1/12 of the aggregate of: (i) 17.5 basis points per annum of the Company's market capitalisation as at the end of each calendar month up to (but not including) £150 million; and (ii) 15 basis points per annum on that part of the Company's market capitalisation as at the end of each calendar month in excess of £150 million. The administration and management services fee will be pro-rated in respect of any period of less than one calendar month.

A summary of the Administration and Distribution Agreement is set out in paragraph 12.2 of Part 7 (*General Information*) of this Prospectus.

Depositary fees

Under the terms of the Depositary Agreement, the annual fee payable to the Depositary contains a fixed element of 0.02 per cent. of the Company's Net Asset Value, subject to a minimum fee of £25,000. The Depositary's fees also include a variable element in respect of safekeeping charges based on the value and location of the assets to which the safekeeping charge relates and a variable element for transaction settlement instructions received based on the value and location of the assets to which the settlement instruction relates. All fees due under the Depositary Agreement are invoiced monthly in arrears. In the 12 months prior to publication of this Prospectus, such fees amounted to approximately £70,000.

A summary of the Depositary Agreement is set out in paragraph 12.3 of Part 7 (*General Information*) of this Prospectus.

Registrar fees

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual inclusive fee of approximately £25,000 (plus VAT), which it is entitled to increase annually at the rate of the Retail Price Index prevailing at the time. The Registrar charges additional fees for services that are not included in the annual inclusive fee. In the 12 months prior to publication of this Prospectus, the fees payable by the Company to the Registrar amounted to, in aggregate, approximately £42,000.

A summary of the Registrar Agreement is set out in paragraph 12.4 of Part 7 (*General Information*) of this Prospectus.

Other operational expenses

Other ongoing operational expenses that are borne by the Company include, but are not limited to, the following:

- fees and expenses of the corporate broker and fees and expenses associated with legal, audit and other professional services;
- certain direct transaction expenses;
- the ongoing costs of maintaining the listing of the Shares (where relevant) on the closed-ended investment funds category of the Official List and their continued admission to trading on the Main Market;
- NAV publication costs;
- Directors' and officers' insurance premiums; and
- costs of printing the Company's financial reports and posting them to Shareholders.

The Company's total operational costs (excluding management fees, brokerage and other transaction charges and taxes) are estimated, in the first year following the Issue, to amount to not more than approximately 0.33 per cent. per annum of the Enlarged Company's estimated NAV (based on the illustrative calculations as set out in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus).

Shareholders do not bear any fees, charges or expenses directly, other than any fees, charges or expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling Shares in the Company itself.

5. CONFLICTS OF INTEREST

The AIFM and its officers, employees and representatives may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. The AIFM may provide investment management, investment advice or other services in relation to one or more funds that may have similar investment policies to that of the Company.

In addition, as the AIFM's performance fee is based on the outperformance of the Company's NAV total return over the FTSE All-Share Total Return Index there is potential for conflict in relation to valuations of the Company's investments proposed by the AIFM. However, the Company's Portfolio is comprised predominantly of securities listed or quoted on stock markets or other exchanges in respect of which there is ordinarily little or no judgement as to valuation as such securities are ordinarily valued at their prevailing market prices. The Board recognises the importance of managing potential conflicts of interest in the calculation of the Net Asset Value. To ensure transparency and fairness, the NAV is calculated independently by a third-party administrator, the Company Secretary, in compliance with the AIFM's valuation policy and applicable regulations. Where the AIFM or other connected parties provide input into asset valuations, strict procedures are in place to avoid conflicts. In addition, the value of the Company's investment in Castelnau is excluded from the Company's Net Asset Value when calculating

the AIFM's performance fee to avoid double charging. The Board regularly reviews the AIFM's valuation policy and the Company Secretary's valuation process and procedures, and this robust governance framework ensures that the NAV reflects the true value of the Company's assets and is free from undue influence.

In managing the Portfolio, the AIFM will also have regard to its obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

The AIFM has established internal control frameworks to provide reasonable assurances as to the effectiveness of the internal control systems operated on behalf of its clients. The AIFM reports to the Board on a regular basis with regard to the operation of its internal controls and risk management within its operations in so far as it impacts the Company. The AIFM maintains an appropriate organisation structure that mitigates the impact of potential conflicts of interest. The calculation of the NAV is the responsibility of the Head of Operations who in turn reports to the Chief Operating Officer. Both are independent of the investment management process.

PART 4 – DETAILS OF THE SCHEME AND THE ISSUE

1. INTRODUCTION

The Issue is being undertaken pursuant to the proposed scheme of reconstruction and members' voluntary winding up of Artemis Alpha under section 110 of the Insolvency Act, which the Artemis Alpha Board has resolved to recommend to Artemis Alpha Shareholders. Under the Scheme, Artemis Alpha will be placed into members' voluntary liquidation and Eligible Artemis Alpha Shareholders will receive New Shares issued by the Company in exchange for the transfer to the Company of the Rollover Pool. Artemis Alpha Shareholders may alternatively elect for the Cash Option under the terms of the Scheme in respect of all or part of their holding of Artemis Alpha Shares.

The New Shares are only available to Eligible Artemis Alpha Shareholders (and, subject to the terms of the Scheme, the Liquidators as nominees for Excluded Artemis Alpha Shareholders) who are deemed to elect for the Rollover Option under the Scheme. The New Shares are not being offered to Existing Aurora Shareholders (save to the extent an Existing Aurora Shareholder is also an Eligible Artemis Alpha Shareholder) or to the public.

2. DETAILS OF THE SCHEME

2.1. Scheme overview

Subject to the passing of the Resolution to be proposed at the General Meeting to approve the Issue in connection with the Scheme and subject to the satisfaction of the other conditions of the Issue (details of which are set out in paragraph 4 of this Part 4), the Scheme will take effect on the Effective Date.

The Scheme will be implemented in accordance with the terms of the Transfer Agreement that will be entered into by the Company, Artemis Alpha and the Liquidators. The Transfer Agreement provides for the Rollover Pool to be transferred to the Company in consideration for the issue of New Shares to the Liquidators, who will renounce such New Shares in favour of Eligible Artemis Alpha Shareholders (and, subject to the terms of the Scheme, otherwise hold such New Shares as nominees for Excluded Artemis Alpha Shareholders) who are deemed to elect for the Rollover Option under the Scheme. Further details of the Transfer Agreement are provided in paragraph 12.7 of Part 7 (*General Information*) of this Prospectus. Any cash that is transferred in accordance with the terms of the Transfer Agreement will be invested by the Company in accordance with the Company's investment policy.

If the Scheme is implemented, as soon as practicable after the Effective Date the Directors intend to change the name of the Company to "Aurora UK Alpha plc".

Subject to the terms of the Scheme, each Eligible Artemis Alpha Shareholder on the Artemis Alpha Register on the Record Date will be deemed to have elected to receive such number of New Shares as have a value (at the Aurora FAV per Share) equal to the value (at the ATS Rollover FAV per Share) attributable to the number of Artemis Alpha Shares deemed to have been so elected, being the "**Rollover Option**", save to the extent that such Artemis Alpha Shareholder elects to receive, subject to the overall cap (as explained below), an amount of cash equal to the ATS Cash Pool FAV per Share attributable to the number of Artemis Alpha Shares so elected, being the "**Cash Option**".

The maximum number of Artemis Alpha Shares that can be elected (or be deemed to have been elected) for the Cash Option is, in aggregate, 25 per cent. of the total number of Artemis Alpha Shares in issue (excluding Artemis Alpha Shares held in treasury) as at the Calculation Date (the "**Maximum Cash Option Shares**"). Each Eligible Artemis Alpha Shareholder who validly elects to receive the Cash Option in respect of up to 25 per cent. of their individual holding of Artemis Alpha Shares as at the Calculation Date, rounded down to the nearest whole Artemis Alpha Share, will receive the full amount of cash for which they have elected (the "**Basic Entitlement**"). Artemis Alpha Shareholders are entitled to elect to receive cash in respect of more than 25 per cent. of their individual holdings of Artemis Alpha Shares (such excess amount being an "**Excess Application**"). However, in the event that aggregate elections and deemed elections are made for the Cash Option that exceed 25 per cent. of the Artemis Alpha Shares in issue (excluding

Artemis Alpha Shares held in treasury) as at the Calculation Date, Artemis Alpha Shareholders who have made an election for the Cash Option in excess of their Basic Entitlement will have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Eligible Artemis Alpha Shareholders who have made such Excess Applications such that the aggregate number of Artemis Alpha Shares elected (or deemed to have been elected) for the Cash Option shall equal the Maximum Cash Option Shares.

Eligible Artemis Alpha Shareholders will be deemed to have elected for the Rollover Option as the default option in the event that they do not make a formal election under the Scheme or to the extent elections for the Cash Option in excess of 25 per cent. of Artemis Alpha Shareholders' holdings are scaled back as a result of the Cash Option being oversubscribed. However, Excluded Artemis Alpha Shareholders (including Overseas Artemis Alpha Shareholders) should read paragraph 9 of this Part 4.

The issue of New Shares under the Scheme will be effected on a FAV for FAV basis as at the Calculation Date. On the Calculation Date, or as soon as practicable thereafter, the Artemis Alpha Directors and the Artemis Alpha Investment Manager, in consultation with the Liquidators, shall procure the finalising of the division of Artemis Alpha's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:

- first, there shall be appropriated to the Liquidation Pool such of the cash and other assets of Artemis Alpha which the Liquidators may call in, realise and convert into cash as they consider necessary that is estimated by the Liquidators to be sufficient to meet the current and future, actual and contingent liabilities of Artemis Alpha, including, without prejudice to the generality of the foregoing and save to the extent that the same have already been paid or already deducted in calculating the total assets of Artemis Alpha: (i) all costs and expenses of the Scheme to be borne by Artemis Alpha; (ii) the Liquidators' Retention; and (iii) the entitlements of any Dissenting Artemis Alpha Shareholders, in each case including any VAT in respect thereof;
- second, there shall be appropriated to the Liquidation Pool (to the extent not already so appropriated): (i) any of the Artemis Alpha's Unquoted Holdings that are subject to transfer restrictions that prevent them from being transferred to the Company on the Effective Date pursuant to the Scheme (unless otherwise expressly agreed by the Company and Artemis Alpha that any such investment(s) shall be apportioned to the Rollover Pool); and (ii) any of Artemis Alpha's Unquoted Holdings that Artemis Alpha and the Company have mutually agreed shall form part of the Liquidation Pool; and
- third, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriations referred to in respect of the Liquidation Pool, on the following basis:
 - there shall first be appropriated to the Cash Pool such proportion of the cash as shall equal the ATS Cash Pool FAV; and
 - there shall second be appropriated to the Rollover Pool, in accordance with the Scheme, the balance of the undertaking, cash and assets of Artemis Alpha, including, for the avoidance of doubt, the benefit of the Cash Option Adjustments, as Artemis Alpha, acting by the Liquidators in consultation with the other parties to the Transfer Agreement, shall determine as being suitable for the purpose, and so as not to cause any infringement of the investment objective and investment policy of the Company.

In advance of the Effective Date, the Artemis Alpha Directors intend that Artemis Alpha and/or the Artemis Alpha Investment Manager (or their agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by Artemis Alpha in accordance with the Scheme and the elections made or deemed to have been made thereunder so that, as far as practicable, Artemis Alpha will hold, in addition to assets destined to become the Cash Pool and the Liquidation Pool, investments suitable for transfer to the Company under the Transfer Agreement. The Rollover Pool will therefore consist of investments aligned with the Company's investment policy as at the Effective Date, cash and cash equivalents.

2.2. Liquidation Pool

On or following the Effective Date, the Liquidation Pool will be applied by Artemis Alpha (acting by the Liquidators) in discharging the liabilities of Artemis Alpha. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme to all Artemis Alpha Shareholders (excluding any Dissenting Artemis Alpha Shareholders) who were on the Artemis Alpha Register on the Record Date in proportion to their respective holdings of Artemis Alpha Shares on the Record Date, provided that if any such amount payable to any Artemis Alpha Shareholder is less than £5.00, it will not be paid to the Artemis Alpha Shareholder but instead will be retained by Artemis Alpha and sent to charity.

2.3. Cash Option

Cash entitlements under the Cash Option will be calculated on the basis of the ATS Cash Pool FAV. The ATS Cash Pool FAV will be calculated as the ATS Residual Net Asset Value multiplied by the percentage of Artemis Alpha Shares in respect of which valid elections have, or are deemed to have, been made for the Cash Option (following any required scaling back in accordance with the Scheme) (the “**Cash Exit Percentage**”), less:

- a discount of 2 per cent. of such amount (the “**Cash Option Discount**”); and
- a further discount equal to 20 per cent. of the aggregate value of the Unquoted Holdings that form part of the Rollover Pool multiplied by the Cash Exit Percentage (the “**Cash Pool Liquidity Adjustment**”, and together with the Cash Option Discount, the “**Cash Option Adjustments**”).

The ATS Cash Pool FAV per Share (expressed in pence) shall be equal to the ATS Cash Pool FAV divided by the total number of Artemis Alpha Shares elected or deemed elected for the Cash Option, and rounded down to six decimal places.

The ATS Residual Net Asset Value shall be equal to the gross assets of Artemis Alpha as at the Calculation Date (calculated in accordance with Artemis Alpha’s normal accounting policies) and adjusted to take account of Artemis Alpha’s portion of the benefit of the Phoenix Costs Contribution, less: (i) the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Artemis Alpha Shareholders); and (ii) the value of any dividends declared by Artemis Alpha as at the Calculation Date but not paid to Artemis Alpha Shareholders nor reflected in Artemis Alpha’s Net Asset Value as at the Calculation Date.

The value arising from the application of the Cash Option Adjustments will be allocated to the Rollover Pool. The benefit of the Cash Option Adjustments will be allocated to Artemis Alpha Shareholders that are deemed to elect for the Rollover Option pursuant to the Scheme up to an amount equal to the proportion of Artemis Alpha’s Scheme costs that are attributable to the Rollover Pool. In the event the value arising from the application of the Cash Option Adjustments exceeds this amount, the surplus will not be taken into account in the calculation of the respective FAVs, and will be credited to the Enlarged Company.

2.4. Rollover Option

The number of New Shares to which each Eligible Artemis Alpha Shareholder who is deemed to have elected for the Rollover Option will be entitled will be calculated by dividing the ATS Rollover FAV per Share by the Aurora FAV per Share and applying this ratio (which will be calculated to six decimal places, with 0.0000005 rounded down) to the number of Artemis Alpha Shares in respect of which that Eligible Artemis Alpha Shareholder is deemed to have elected for the Rollover Option.

The ATS Rollover FAV will be calculated on the basis of the ATS Residual Net Asset Value multiplied by the percentage of Artemis Alpha Shareholders who are deemed to elect for the Rollover Option under the Scheme (the “**Rollover Percentage**”) plus an amount equal to the lower of:

- (a) the Cash Option Adjustments; and
- (b) the value of the ATS Scheme Costs multiplied by the Rollover Percentage.

The ATS Rollover FAV per Share (expressed in pence) shall be equal to the ATS Rollover FAV divided by the total number of Artemis Alpha Shares deemed to be elected for the Rollover Option (excluding Artemis Alpha Shares held in treasury) and calculated to six decimal places (with 0.0000005 rounded down).

The Aurora FAV will be calculated on the basis of the Net Asset Value of the Company, calculated as at the Calculation Date in accordance with the Company's normal accounting policies on a cum-income basis, adjusted by:

- (a) deducting any dividends declared but neither reflected in the Company's Net Asset Value nor paid by the Company to Shareholders prior to the Calculation Date;
- (b) deducting an amount equal to the Company Fixed Implementation Costs (to the extent not already reflected in the Company's Net Asset Value as at the Calculation Date) and excluding, for the avoidance of doubt, any listing fees to be borne by the Company in respect of the listing of the New Shares and any stamp duty, SDRT or other transaction tax or investment costs incurred by the Company in connection with the transfer of the Rollover Pool; and
- (c) adding an amount equal to the benefit of the Phoenix Costs Contribution attributable to the Company.

The Aurora FAV per Share (expressed in pence) shall be equal to the Aurora FAV divided by the number of Shares in issue (excluding Shares held in treasury, if any) as at the Calculation Date and calculated to six decimal places (with 0.0000005 rounded down).

3. DETAILS OF THE ISSUE

The New Shares will be issued on a non pre-emptive basis.

The New Shares are ordinary shares, denominated in Sterling, in the Company and will rank equally in all respects with the existing issued Shares (other than in respect of any dividends which have a record date prior to the date of the issue of the New Shares). For the avoidance of doubt, Artemis Alpha Shareholders receiving New Shares under the Scheme will not, in respect of those New Shares, be entitled to the Aurora Interim Dividend. However, such Artemis Alpha Shareholders will be entitled to participate in any dividends declared by the Company with a record date after the date of the issue of New Shares to them.

The number of New Shares to be issued under the Scheme is not known as at the date of this Prospectus as it will be calculated in accordance with the formula stated above as at the Calculation Date and will depend on the elections and deemed elections made under the Scheme. The number of New Shares to be issued will be announced through an RIS announcement as soon as reasonably practicable following the Calculation Date and prior to the Issue. The Issue is not being underwritten.

For illustrative purposes only, had the Calculation Date been close of business on 21 October 2024, and assuming that: (i) there are no Dissenting Artemis Alpha Shareholders; (ii) the Maximum Cash Option Shares are elected or deemed to be elected for the Cash Option; (iii) the ATS Scheme Costs are £1,206,724; (iv) the Company Fixed Implementation Costs are £536,976; and (v) all of the Unquoted Holdings with value form part of the Rollover Pool, after deduction of the Artemis Alpha Pre-Liquidation Interim Dividend of 3.71 pence per Artemis Alpha Share and the Aurora Interim Dividend of 3.00 pence per Share:

- the ATS Rollover FAV per Share would have been 426.358531 pence and the Aurora FAV per Share would have been 277.531534 pence which, for the Rollover Option, would have produced a conversion ratio of 1.536253 and, in aggregate, 37,691,748 New Shares would have been issued to Artemis Alpha Shareholders under the Scheme, representing approximately 33 per cent. of the issued ordinary share capital of the Enlarged Company immediately following the completion of the Scheme; and
- the ATS Cash Pool FAV per Share would have been 410.709778 pence.

The above figures are for illustrative purposes only and do not represent forecasts. The ATS Rollover FAV per Share, Aurora FAV per Share and ATS Cash Pool FAV per Share and Artemis Alpha Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments.

The Company will notify Shareholders of the results of the Scheme and the Issue, including the calculations of the ATS Rollover FAV per Share, the ATS Cash Pool FAV per Share, the Aurora FAV per Share and the number of New Shares to be issued under the Scheme, through an RIS as soon as reasonably practicable following the Calculation Date and prior to the Issue.

4. CONDITIONS OF THE ISSUE

The Issue is conditional upon:

- the recommendation of the Board and the Artemis Alpha Board to proceed with the Proposals, which may be withdrawn at any time;
- the passing of the Artemis Alpha Resolutions to approve the Scheme and the winding up of Artemis Alpha at the Artemis Alpha General Meetings and the Scheme becoming unconditional in all respects (including the Transfer Agreement becoming unconditional in all respects);
- the passing of the Resolution by Shareholders to approve the Issue at the General Meeting and such resolution becoming unconditional in all respects; and
- the FCA having acknowledged to the Company or its agents (and such acknowledgement not having been withdrawn) that the application for the admission of the New Shares to the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**listing conditions**")) will become effective as soon as notice of admission to the Official List has been issued by the FCA and any listing conditions having been satisfied and the London Stock Exchange having acknowledged to the Company or its agents (and such acknowledgement not having been withdrawn) that the New Shares will be admitted to trading on the Main Market, subject only to allotments.

Unless the conditions referred to above have been satisfied or, to the extent permitted, waived by both the Company and Artemis Alpha on or before 31 March 2025, no part of the Proposals will become effective and the New Shares will not be issued.

5. DISSENTING ARTEMIS ALPHA SHAREHOLDERS

Provided that an Artemis Alpha Shareholder does not vote in favour of the Artemis Alpha Resolutions to be proposed at the First Artemis Alpha General Meeting, such Artemis Alpha Shareholder may, within seven days following the passing of the Artemis Alpha Resolutions proposed at the First Artemis Alpha General Meeting, express their dissent to the Liquidators in writing at Artemis Alpha's registered office and require the Liquidators to purchase the Dissenting Artemis Alpha Shareholder's interest in Artemis Alpha. The Liquidators will offer to purchase the interests of the Dissenting Artemis Alpha Shareholders at the realisation value, this being an estimate of the amount an Artemis Alpha Shareholder would receive per Artemis Alpha Share in an ordinary winding up of Artemis Alpha if all of the assets of Artemis Alpha had to be realised and distributed to Artemis Alpha Shareholders after repayment of the liabilities of Artemis Alpha. The realisation value of an Artemis Alpha Share is expected to be below the unaudited cum-income Artemis Alpha NAV per Share and the Liquidators will not purchase the interests of Dissenting Artemis Alpha Shareholders until all other liabilities of Artemis Alpha have been settled.

In order to purchase the interests of any Dissenting Artemis Alpha Shareholders, the Artemis Alpha Board, in consultation with the Liquidators, will appropriate an amount of the cash, undertaking and other assets of Artemis Alpha to the Liquidation Pool which it believes is sufficient to purchase the interests of such Dissenting Artemis Alpha Shareholders. Save as otherwise provided in this paragraph 5, any Artemis Alpha Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of the Scheme and shall be treated as if those Artemis Alpha Shares were not in issue.

6. DILUTION

Unless they are also holders of Artemis Alpha Shares, Existing Aurora Shareholders are not able to participate in the Issue and will experience a dilution to the percentage of the issued share capital that their current holding represents based on the actual number of New Shares issued under the Scheme.

For illustrative purposes only, if 37,691,748 New Shares were to be issued under the Scheme (being the estimated number of New Shares that will be issued pursuant to the Issue, assuming that: (i) there are no Dissenting Artemis Alpha Shareholders; (ii) the Maximum Cash Option Shares are elected or deemed to be elected for the Cash Option; and (iii) the ratio between the ATS Rollover FAV per Share and the Aurora FAV per Share was 1.536253 (as outlined in section 3 of this Part 4) then, based on the issued Share capital of the Company as at 21 October 2024, and assuming that: (a) an Existing Aurora Shareholder is not an Eligible Artemis Alpha Shareholder and is therefore not able to participate in the Issue and (b) there has been no change to the Company's issued Share capital prior to Admission, an Existing Aurora Shareholder holding 1.0 per cent. of the Company's issued share capital as at 21 October 2024 would then hold approximately 0.67 per cent. of the Enlarged Company's issued share capital immediately following Admission. If no Artemis Alpha Shares were elected, or deemed elected, for the Cash Option but the assumptions above were otherwise to remain the same, 49,820,858 New Shares would be issued under the Scheme and an Existing Aurora Shareholder holding 1.0 per cent. of the Company's issued share capital as at 21 October 2024 would then hold approximately 0.60 per cent. of the Enlarged Company's issued share capital immediately following Admission.

7. COSTS AND EXPENSES OF THE PROPOSALS

Save as noted below, each of the Company and Artemis Alpha will bear its own costs in respect of the Proposals irrespective of whether the Proposals proceed. The costs incurred (or to be incurred) by the Company in implementing the Proposals primarily comprise financial advisory fees, legal fees, other professional advisory fees, printing costs and other applicable expenses, in each case including any related VAT and disbursements (the "**Company Fixed Implementation Costs**"). The Company Fixed Implementation Costs are estimated to be approximately £536,976 (including irrecoverable VAT), equivalent to 0.25 per cent. of the Company's Net Asset Value as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus.

Any costs of the realignment and/or realisation of the Artemis Alpha Portfolio prior to the Scheme becoming effective will be borne by Artemis Alpha. Any: (i) sales or acquisition costs (including any commissions, taxes (including stamp duty), transaction charges and/or market charges) associated with the transfer of the Rollover Pool from Artemis Alpha to the Company, or the deployment of the cash therein upon receipt; and (ii) London Stock Exchange admission fees payable in respect of the admission of the New Shares to trading on the Main Market, will be borne by the Enlarged Company and will not be reflected in the ATS Rollover FAV or the Aurora FAV.

Phoenix has agreed to make a contribution of an amount equal to £750,000 towards the direct fixed costs to be incurred by the Company and Artemis Alpha in connection with the Proposals. The Phoenix Costs Contribution will be allocated first to pay the Company Fixed Implementation Costs up to a cap of £500,000 (with such amount being credited to the Aurora FAV), with the balance of the Phoenix Costs Contribution (being at least £250,000) allocated to pay Artemis Alpha's direct fixed costs in connection with the Proposals (with such amount being credited to the ATS Residual Net Asset Value). The exact allocation of the benefit of the Phoenix Costs Contribution between the Company and Artemis Alpha will be calculated as at the Calculation Date and reflected in the calculation of the ATS Rollover FAV and the Aurora FAV accordingly.

The Phoenix Costs Contribution will be effected through a waiver of the performance fees that would otherwise be payable by the Company to Phoenix, up to the financial value of £750,000, in respect of each of the Relevant Periods. In the event that the aggregate performance fees payable in respect of the Relevant Periods is less than £750,000, Phoenix will satisfy any shortfall by transferring Shares it holds to the Enlarged Company or in cash (in either case net of any costs of making such transfer or payment and without the Enlarged Company making any payment to Phoenix). For the avoidance of doubt, any Shares transferred in settlement of any shortfall in the Phoenix Cost Contribution would be in addition to any Shares that may or may not be transferred by Phoenix to the Enlarged Company under the clawback element of the performance fee methodology.

The Phoenix Costs Contribution is subject to a clawback provision such that, in the event of the termination of Phoenix's appointment as AIFM and investment manager to the Enlarged Company on a no-fault basis: (i) on or prior to 31 December 2025, Phoenix will be entitled to claim back 100 per cent. of the Phoenix Costs Contribution; and (ii) between 1 January 2026 and 31 December 2026 (inclusive), 50 per cent. of the Phoenix Costs Contribution.

For the avoidance of doubt, in the event that implementation of the Scheme does not proceed, each party will bear its own costs and the Phoenix Costs Contribution will not be payable.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

8. ADMISSION AND DEALINGS

Applications will be made by the Company to the FCA and to the London Stock Exchange for the New Shares to be admitted to listing on the closed-ended investment funds category of the Official List and to trading on the Main Market, respectively. It is not intended that any class of shares in the Company be admitted to listing or trading in any other jurisdiction. If the Proposals become effective, it is expected that the New Shares will be admitted to the Official List, and dealings on the Main Market will commence, on 2 December 2024.

The ISIN of the New Shares will be GB0000633262. The New Shares will be in registered form and may be held in either certificated or uncertificated form. Eligible Artemis Alpha Shareholders who are deemed to have elected for the Rollover Option and who hold their relevant Artemis Alpha Shares in certificated form as at the Record Date will receive their New Shares in certificated form and at their own risk. Temporary documents of title will not be issued. It is expected that certificates in respect of New Shares to be issued to the Eligible Artemis Alpha Shareholders entitled thereto will be despatched by no later than 10 Business Days from the Effective Date.

Eligible Artemis Alpha Shareholders who are deemed to have elected for the Rollover Option and who hold their relevant Artemis Alpha Shares in uncertificated form as at the Record Date will receive their New Shares in uncertificated form on 2 December 2024, although the Company reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised by the Company in the event of an interruption, failure or breakdown of CREST or the facilities or system operated by the Registrar in connection with CREST. The Company will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New Shares in uncertificated form.

Fractional entitlements to New Shares will not be issued under the Scheme and entitlements will be rounded down to the nearest whole number of New Shares. No cash payments will be made or returned in respect of any fractional entitlements which will be retained for the benefit of the Company.

9. EXCLUDED ARTEMIS ALPHA SHAREHOLDERS

Excluded Artemis Alpha Shareholders will not receive New Shares pursuant to the Scheme in circumstances in which the Liquidators and/or the Company acting reasonably consider that, notwithstanding that Excluded Artemis Alpha Shareholder's entitlement to such New Shares under the Scheme, any such issue of New Shares to that Excluded Artemis Alpha Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or if the Liquidators and/or the Company reasonably believes that the same may violate any applicable legal or regulatory requirements or may require the Company to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Liquidators and/or the Company, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Excluded Artemis Alpha Shareholder is permitted to hold New Shares under any relevant securities laws or regulation of such jurisdiction (or that the Company would not be subject to any additional regulatory requirements to which it would not be subject but for such issue).

To the extent that such an Excluded Artemis Alpha Shareholder would otherwise receive New Shares under the Scheme either because no election, or a partial election, for the Cash Option was made, or because an Excess Application was scaled back, then:

- a) each such Excluded Artemis Alpha Shareholder that has elected for at least their *pro rata* Basic Entitlement under the Cash Option will have their election treated in the same manner as any other Artemis Alpha Shareholder's election for cash, and will be deemed to have elected to receive New Shares for the remainder of their Artemis Alpha Shares;
- b) each such Excluded Artemis Alpha Shareholder that has not elected to receive cash under the Cash Option, or has elected for less than their *pro rata* Basic Entitlement will be deemed to have elected for their *pro rata* Basic Entitlement in respect of the Cash Option and to receive New Shares for the remainder of their Artemis Alpha Shares; and
- c) such New Shares will then be issued to the Liquidators (as nominees on behalf of the relevant Excluded Artemis Alpha Shareholder) who will arrange for the New Shares to be sold on the stock market promptly by a market maker (which will be done without regard to the personal circumstances of the relevant Excluded Artemis Alpha Shareholder or the value of the Artemis Alpha Shares held by the relevant Excluded Artemis Alpha Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid:
 1. in respect of each Excluded Artemis Alpha Shareholder who is not also a Sanctions Restricted Person, to the relevant Excluded Artemis Alpha Shareholder entitled to them as soon as practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Excluded Artemis Alpha Shareholder will be retained in the Liquidation Pool; or
 2. in respect of each Sanctions Restricted Person, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

Overseas Artemis Alpha Shareholders who are subject to taxation outside of the United Kingdom should consult their tax adviser as to the tax effect of the Proposals on them.

10. US ARTEMIS ALPHA SHAREHOLDERS

Any US Artemis Alpha Shareholder (or any persons acting for the account or benefit of such US Artemis Alpha Shareholder) is requested to execute the US Investor Certificate, which can be requested from the Artemis Alpha Registrar by email to operationalsupportteam@linkgroup.co.uk, and return it to the Company in accordance with the instructions printed thereon.

If a US Artemis Alpha Shareholder (or any person acting for the account or benefit of such US Artemis Alpha Shareholder) does not execute and return a US Investor Certificate, and the Board and Artemis Alpha believe such person is an Ineligible US Artemis Alpha Shareholder, the Board reserves the right, at its absolute discretion, to require any New Shares to which such Ineligible US Artemis Alpha Shareholder is entitled (beneficially or otherwise) and which such Ineligible US Artemis Alpha Shareholder would otherwise receive under the Scheme to be issued to the Liquidators (as nominees for the relevant Ineligible US Artemis Alpha Shareholder) who will arrange for the New Shares to be sold on the stock market promptly by a market maker (which will be done without regard to the personal circumstances of the relevant Ineligible US Artemis Alpha Shareholder and the value of the Shares held by the relevant Ineligible US Artemis Alpha Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Artemis Alpha Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Artemis Alpha Shareholder will be retained in the Liquidation Pool. US Artemis Alpha Shareholders who have any questions regarding the submission of the US Investor Certificate may call the Artemis Alpha Registrar, Link Group, on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. US Artemis Alpha Shareholders should note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Please note that the Artemis Alpha Registrar cannot give any advice on how US Artemis

Alpha Shareholders should complete the US Investor Certificate. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Certificate.

The Company and Artemis Alpha reserve the right, in their absolute discretion, to investigate in relation to US Artemis Alpha Shareholders, whether the representations and warranties set out in the US Investor Certificate given by any US Artemis Alpha Shareholder are correct.

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

11. TAXATION

The attention of Artemis Alpha Shareholders is drawn to the summary of tax matters set out in Part 6 (*UK Taxation*) of this Prospectus. Artemis Alpha Shareholders should seek tax advice from their own tax adviser about the taxation consequences of acquiring/receiving, holding or disposing of New Shares.

PART 5 – FINANCIAL INFORMATION

1. INTRODUCTION

The financial information contained in the sections titled “*Historical Financial Information*”, “*Operating and Financial Review*” and “*Selected Financial Information*” of this Part has been extracted without material adjustment from: (i) the reports and audited financial statements of the Company for the financial years ended 31 December 2022 (the “**2022 Annual Report**”) and 31 December 2023 (the “**2023 Annual Report**”), and (ii) the report and unaudited financial statements of the Company for the financial periods ended 30 June 2023 (the “2023 Interim Report”) and 30 June 2024 (the “**2024 Interim Report**”).

Both the 2022 Annual Report and the 2023 Annual Report were prepared under IFRS and were audited by BDO LLP whose report was unqualified and did not contain any statement under section 498(2) or (3) of the Companies Act. BDO LLP is registered to carry on audit work in the UK and the Republic of Ireland by the Institute of Chartered Accountants in England and Wales.

Copies of the 2023 Annual Report, 2022 Annual Report, 2024 Interim Report and the 2023 Interim Report are available for inspection in the ‘*Reports*’ section of the Company’s website at <https://www.aurorainvestmenttrust.com>.

2. HISTORICAL FINANCIAL INFORMATION

Historical financial information relating to the Company on the matters referred to below is included in the 2023 Annual Report, 2022 Annual Report, 2024 Interim Report and the 2023 Interim Report as set out in the table below and is expressly incorporated by reference into this Prospectus. The non-incorporated parts of these reports of the Company are either not relevant to investors or covered elsewhere in this Prospectus.

Nature of information	2023 Annual Report Page No.	2022 Annual Report Page No.	2024 Interim Report Page No.	2023 Interim Report Page No.
Financial and performance highlights	3	3	1	1
Independent auditor’s report	62-69	64-71	–	–
Income statement	71	73	14	18
Statement of financial position	72	74	15	19
Statement of changes in equity	73-74	75-76	16-17	20-21
Cash flow statement	75	77	18	22
Notes to the financial statements	76-94	78-96	19-23	23-27

3. SELECTED FINANCIAL INFORMATION

The key audited figures that summarise the financial condition of the Company in respect of the financial years ended 31 December 2022 and 31 December 2023, and the key unaudited figures in respect of the six month periods ended 30 June 2023 and 30 June 2024, all of which have been extracted without material adjustment from the historical financial information referred to in paragraph 2 above, are set out in the tables below.

Information relevant to closed-end funds

Share Class	Net assets (£’000)	No. of Shares (excluding treasury Shares)	Net asset value per Share (GBX)	Historical performance of the fund (GBX)
Ordinary	208,714 as at 31 December 2023 (audited)	76,078,460 as at 31 December 2023 (audited)	274.34 as at 31 December 2023 (audited)	203.45 (Net asset value per Share) as at 31 December 2022 (audited)

Income statement for closed-end funds

	Year ended 31 December 2023			Year ended 31 December 2022			Six months ended 30 June 2024			Six months ended 30 June 2023		
	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)
Gains/(losses) on investments	—	53,535	53,535	—	(40,410)	(40,410)	—	(1,738)	(1,738)	—	18,089	18,089
Losses on currency	—	—	—	—	(17)	(17)	—	(8)	(8)	—	(2)	(2)
Income	3,459	—	3,459	3,117	—	3,117	1,728	—	1,728	1,426	—	1,426
Total income/(loss)	3,459	53,535	56,994	3,117	(40,427)	(37,310)	1,728	(1,746)	(18)	1,426	18,087	19,513
Investment management performance fee (charge)/clawback	—	(2,824)	(2,824)	—	2,746	2,746	—	166	166	—	—	—
Other expenses	(749)	—	(749)	(777)	—	(777)	(466)	—	(466)	(377)	—	(377)
Profit/(loss) before tax	2,710	50,711	53,421	2,340	(37,681)	(35,341)	1,262	(1,580)	(318)	1,049	18,087	19,136
Tax	(49)	—	(49)	(77)	—	(77)	(32)	—	(32)	(25)	—	(25)
Profit/(loss) for the year	2,661	50,711	53,372	2,263	(37,681)	(35,418)	1,230	(1,580)	(350)	1,024	18,087	19,111
Earnings/(losses) per share – basic and diluted	3.50p	66.66p	70.16p	2.95p	(49.20)p	(46.25)p	1.6p	(2.1)p	(0.5)p	1.4	23.8	25.1

Balance sheet for closed-end funds

	Year ended 31 December 2023	Year ended 31 December 2022	Six months ended 30 June 2024	Six months ended 30 June 2023
Net assets (£'000)	208,714	154,778	205,566	171,629
Net asset value per Share (GBX)	274.34	203.45	269.44	225.6

4. OPERATING AND FINANCIAL REVIEW

The 2023 Annual Report, 2022 Annual Report, 2024 Interim Report and the 2023 Interim Report included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms), changes in its financial condition and details of the Portfolio for the relevant period. These sections are expressly incorporated by reference into this Prospectus. The non-incorporated parts of these reports of the Company are either not relevant to investors or covered elsewhere in this Prospectus.

Nature of information	2023 Annual Report Page No.	2022 Annual Report Page No.	2024 Interim Report Page No.	2023 Interim Report Page No.
Chair's statement	4-6	4-6	2-3	2-3
Investment policy (and results)	7-10	7-10	4	4
Top holdings	11	11	9	13
Portfolio sector analysis	12	12	10	14
Investment management review and outlook	14-21	14-23	5-8	5-12

5. DOCUMENTS INCORPORATED BY REFERENCE

The following sections of the 2023 Annual Report, 2022 Annual Report, 2024 Interim Report and the 2023 Interim Report are deemed relevant to investors for the purposes of this Prospectus and are incorporated by reference into this Prospectus. The non-incorporated parts of these financial reports of the Company are either not relevant to investors or are covered elsewhere in this Prospectus.

- the sections listed in paragraph 2 "Historical financial information" of this Part 5 (Financial information); and

- the sections listed in paragraph 4 “*Operating and financial review*” of this Part 5 (*Financial information*).

The documents incorporated by reference can be obtained from the Company’s website (<https://www.aurorainvestmenttrust.com>).

6. SIGNIFICANT CHANGE

As at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, there has been no significant change in the financial position or performance of the Company or its group since 30 June 2024, being the end of the last financial period for which unaudited financial information has been published.

7. CAPITALISATION AND INDEBTEDNESS

The following table sets out the capitalisation and indebtedness of the Company (distinguishing between guaranteed and unguaranteed, and secured and unsecured indebtedness) as at 30 September 2024:

	(£'000)
Total current debt	
– Guaranteed	0
– Secured	0
– Unguaranteed/unsecured	0
	<u>0</u>
Total non-current debt (excluding current portion of non-current debt)	
– Guaranteed	0
– Secured	0
– Unguaranteed/unsecured	0
	<u>0</u>
	(£'000)
Shareholder equity	
– Called-up Share capital	19,073
– Share premium	111,580
– Capital redemption reserve	312
– Other reserve*	(687)
– Capital reserve	80,922
– Revenue reserve	3,075
Total	<u><u>214,275</u></u>

* Other reserve balance represents the value of restricted shares issued in settlement for 2021 and 2023 performance fees.

The information in the table above is unaudited financial information extracted from internal management accounting records as at 30 September 2024.

The following table shows the Company's total financial indebtedness as at 30 September 2024. The information in the following table is unaudited financial information extracted from internal management accounting records as at 30 September 2024.

	(£'000)
A. Cash	13,254
B. Cash equivalents	8,052
C. Other current financial assets	1,716
D. Liquidity (A+B+C)	23,022
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	133
F. Current portion of non-current financial debt	0
G. Current financial indebtedness (E+F)	133
H. Net current financial indebtedness (G-D)	(22,889)
I. Non-current financial debt (excluding current portion and debt instruments)	0
J. Debt instruments	0
K. Non-current trade and other payables	0
L. Non-current financial indebtedness (I+J+K)	0
M. Total financial indebtedness (H+L)	<u>(22,889)</u>

As at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, the Company had no indirect or contingent indebtedness. As at the date of this Prospectus, there has been no material change in the indebtedness position of the Company since 30 June 2024.

8. WORKING CAPITAL

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next 12 months from the date of this Prospectus).

9. NET ASSET VALUE PER SHARE

The unaudited Net Asset Value per Share as at 21 October 2024 was 280.58 pence (cum-income).

PART 6 – UK TAXATION

1. GENERAL

The information below, which relates only to the UK, summarises the advice received by the Board and is applicable to the Company and (except in so far as express reference is made to the treatment of other persons) to persons who are resident in the UK for taxation purposes and who hold Shares as an investment. It is based on current UK taxation law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). It is not intended to be, nor should it be construed to be, legal or tax advice. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring/receiving their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject. The tax legislation of each investor's home country and of the Company's country of incorporation may have an impact on the income received from the Shares.

In particular, the information below does not address the US federal income tax considerations applicable to an investment in the New Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequences of any such investment.

All tax rates and allowances refer to those in force in the UK fiscal year 2024/25. Tax rates and allowances may change in subsequent years. In particular, the UK Government has announced a Budget to be published on 30 October 2024. Changes to tax legislation or policy announced in the Budget could have immediate (or even retrospective) effect. Shareholders should contact their own tax advisers to obtain advice on the effects of the Budget on their tax position.

If you are in any doubt about your tax position, you should consult your tax adviser.

2. THE COMPANY

The Company is an investment trust under section 1158 of the Corporation Tax Act. The Board has conducted the affairs of the Company, and intends to conduct the affairs of the Company in the future, so as to enable it to satisfy the conditions necessary for it to continue to be eligible as an investment trust under sections 1158 and 1159 of Chapter 4 of Part 24 of the Corporation Tax Act and the Investment Trust Tax Regulations. However, neither the AIFM nor the Directors can provide assurance that this eligibility will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a "close company" for UK tax purposes. The Directors consider that the Company is not a close company as at the date of this Prospectus and should not be immediately following Admission.

In respect of each accounting period for which the Company is approved by HMRC as an investment trust, the Company will be exempt from UK taxation on its chargeable gains.

However, the Company will (subject to the following) be liable to pay UK corporation tax on its income in the normal way. Income and gains arising from overseas investments may be subject to foreign withholding taxes (or foreign capital gains taxes) at varying rates, but double taxation relief may be available. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non UK companies) fall within one of the "exempt classes" in Part 9A of the Corporation Tax Act 2009.

An investment trust approved under section 1158 and 1159 of Chapter 4 of Part 24 of the Corporation Tax Act is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). The Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends out of distributable profits realised in the accounting period, to the extent that it has "qualifying interest income" for that accounting period. Were the Company to designate any dividend it pays in this manner, it should be able to deduct such interest distributions from its taxable income in calculating its taxable profit for the relevant accounting period.

3. SHAREHOLDERS

3.1. Taxation of capital gains

A disposal of Shares (including a disposal on a winding up of the Company) by an individual Shareholder who is resident in the UK for tax purposes, or a disposal by a non-UK resident individual who carries on a trade in the UK through a branch, agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the individual Shareholder's circumstances and subject to any available exemption or relief.

UK-resident and domiciled individual Shareholders have an annual exemption (the "**Annual Exempt Amount**"), such that UK capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The Annual Exempt Amount is £3,000 for the tax year 2024/25. For such individual Shareholders, UK capital gains tax will be chargeable on a disposal of Shares at the applicable rate (currently 10 per cent. (to the extent that the gains fall within a taxpayer's basic rate band after income has been accounted for), or 20 per cent. (to the extent that the gains fall within a taxpayer's higher or additional rate bands)). Shareholders should note that changes to Income Tax rates and bands came into force in England and Wales on 6 April 2023. Taxable income of up to £50,270 is charged at a basic rate of 20 per cent., taxable income in the £50,271 to £125,140 bracket is charged at a higher rate of 40 per cent. and taxable income over £125,140 is charged at an additional rate of 45 per cent. This is subject to a personal allowance of up to £12,570 for taxable income under £125,140.

Generally, an individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Shares during that period may be liable, on their return to the UK, to UK taxation on any chargeable gain realised (subject to any available exemption or relief) under anti-avoidance legislation relating to temporary non-residents. Special rules apply to individual Shareholders who are subject to tax on a "split-year" basis, and they should seek specific tax advice if they are in any doubt about their position.

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a main rate of 25 per cent. for those companies with profits over and above £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief for profits between £50,000 and £250,000) on chargeable gains arising on a disposal of their Shares.

Individual and corporate Shareholders who are neither resident in the UK, nor temporarily non-resident for the purposes of the anti-avoidance legislation referred to above, and who do not carry on a trade in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected, should not be subject to United Kingdom taxation on chargeable gains on a disposal of their Shares, although such Shareholders may be subject to taxation in their own jurisdiction.

3.2. Taxation of dividends

Individuals

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. The statements in the following three paragraphs apply in respect of dividends to which the "streaming" regime does not apply.

UK resident individuals are entitled to a nil rate of income tax on the first £500 of dividend income for the tax year 2024/25 (the "**Nil Rate Amount**"). Any dividend income received by a UK resident individual Shareholder in respect of the Shares in excess of the Nil Rate Amount will be subject to income tax at a rate of 8.75 per cent. where such a Shareholder is a basic rate taxpayer; 33.75 per cent. where such a Shareholder is a higher rate taxpayer; and 39.35 per cent. where such a Shareholder is an additional rate taxpayer. For Scottish taxpayers, references to income tax that would otherwise be charged at the basic rate, higher rate and additional rate are to be read as if the individual was not a Scottish taxpayer. Shareholders should note that changes to Income Tax rates and bands came into force in England and Wales on 6 April 2023. Taxable income of up to

£50,270 is charged at a basic rate of 20 per cent., taxable income in the £50,271 to £125,140 bracket is charged at a higher rate of 40 per cent. and taxable income over £125,140 is charged at an additional rate of 45 per cent. This is subject to a personal allowance of up to £12,570 for taxable income under £125,140.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limits and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

The Company will not be required to withhold tax at source when paying a dividend to individuals (including such part of any dividend as may be designated an interest distribution as described above).

To the extent that an election is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period under the "streaming" regime, then the corresponding dividends paid by the Company will be taxed as interest income in the hands of UK resident individual shareholders. To the extent the Shareholder is within the basic rate band, interest received in excess of the savings allowance of £1,000 will be taxed at 20 per cent. To the extent the Shareholder is within the higher rate band, interest received in excess of the savings allowance of £500 will be taxed at 40 per cent. To the extent the Shareholder is within the additional rate band, interest received will be taxed at 45 per cent. The tax free savings allowance is not available for additional rate taxpayers.

Corporations

The statements in the following two paragraphs apply in respect of dividends to which the "streaming" regime does not apply.

A corporate Shareholder who is tax resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its Shares are held will be subject to UK corporation tax on the gross amount of any dividends paid by the Company, unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009.

It is anticipated that dividends paid on the Shares to UK tax resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes. However, such Shareholders are advised to consult their tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, the dividends will be subject to UK corporation tax currently at a main rate of 25 per cent. for those companies with profits over and above £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief for profits between £50,000 and £250,000.

To the extent that an election is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period under the "streaming" regime, then the corresponding dividends paid by the Company will be taxed according to the loan relationship rules in the hands of UK resident corporate Shareholders and subject to UK corporation tax currently at a main rate of 25 per cent. for those companies with profits over and above £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief for profits between £50,000 and £250,000.

The Company will not be required to withhold tax at source when paying a dividend to corporations (including such part of any dividend as may be designated an interest distribution as described above).

4. STAMP DUTY AND SDRT

4.1. Issue of New Shares pursuant to the Issue

The issue of New Shares pursuant to the Issue should not give rise to any stamp duty or SDRT.

4.2. Subsequent transfers

Subsequent transfers of New Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer (rounded up to the nearest £5.00). However, an exemption from stamp duty will be available on an instrument transferring New Shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. The purchaser normally pays the stamp duty.

An unconditional agreement to transfer New Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. However, if a duly stamped or exempt transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of New Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will be passed on to the purchaser). Deposits of New Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration in the form of money or money's worth.

In certain circumstances, the transfer of New Shares will be chargeable to stamp duty or SDRT on the value of the New Shares transferred, rather than the amount or value of the consideration given.

5. ISAS

Shares acquired by a UK resident individual Shareholder may be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2024/2025). Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior ISAs are available to children under the age of 18 who are resident in the UK subject to the annual allowance of £9,000 for the 2024/25 tax year.

Individuals wishing to invest in New Shares through an ISA should contact their professional advisers regarding their eligibility.

6. INFORMATION REPORTING

The UK has entered into a number of international arrangements which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, FATCA, the Common Reporting Standard, the EU Directive on Administrative Cooperation in Tax Matters, and a number of other arrangements with particular jurisdictions.

In connection with such international agreements and obligations (and UK regulations implementing the same) the Company may, amongst other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with such UK regulations and relevant international agreements and obligations.

7. PREVENTION OF THE CRIMINAL FACILITATION OF TAX EVASION

Two United Kingdom corporate criminal offences for failure to prevent the facilitation of tax evasion created by the Criminal Finances Act 2017 impose criminal liability on a company or a partnership (a “**relevant body**”) if it fails to prevent the criminal facilitation of tax evasion by a person “when acting in the capacity of a person associated” with the relevant body. There is a defence to the charge if the relevant body can show that it had in place reasonable “prevention procedures” at the time the facilitation took place. In order to comply with the Criminal Finances Act 2017, the Company, the AIFM and the Company Secretary may require additional information from Shareholders or prospective investors in the Company regarding their tax affairs.

PART 7 – GENERAL INFORMATION

1. THE COMPANY

- 1.1. The Company was incorporated in England and Wales on 10 January 1997 with registered number 03300814 as a public company limited by shares under the Companies Act 1985. The Company is registered as an investment company under section 833 of the Companies Act. The Company's LEI is 22138007OUWIZFMAGO575.
- 1.2. If the Scheme is implemented, as soon as practicable after the Effective Date the Directors intend to change the name of the Company to "Aurora UK Alpha plc".
- 1.3. The Company does not have a fixed life but is expected to hold its triennial Continuation Vote at the annual general meeting of the Company to be held in June 2025.
- 1.4. The registered office and principal place of business of the Company is 25 Southampton Buildings, London EC2A 1AL, with telephone number: +44 (0)20 3008 4910.
- 1.5. As a listed investment trust, the Company is not regulated as a collective investment scheme by the FCA. However, as a company with its shares admitted to listing on the Official List and to trading on the Main Market, it is subject to the Prospectus Regulation Rules, the UK Listing Rules, the Disclosure Guidance and Transparency Rules, the Takeover Code, UK MAR and the rules of the London Stock Exchange. The Company is domiciled in the United Kingdom. The Company is an alternative investment fund pursuant to the UK AIFMD Laws. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.
- 1.6. The principal activity of the Company is to invest its assets in accordance with the investment objective and policy set out in Part 1 (*The Company*) of this Prospectus.
- 1.7. The Company's accounting period ends on 31 December of each year. The Company's latest audited financial statements for the year ended 31 December 2023 were published on 26 March 2024 and the Company's latest unaudited financial statements for the six months ended 30 June 2024 were published on 25 September 2024.
- 1.8. BDO LLP is the statutory auditor of the Company. BDO LLP is a member of the Institute of Chartered Accountants in England and Wales.
- 1.9. The Company has no employees and its day-to-day activities are delegated to third parties.
- 1.10. The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the key conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:
 - 1.10.1. all, or substantially all, of the business of the Company is investing its funds in shares, land or other assets (being shares in the case of the Company) with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
 - 1.10.2. the Company is not a close company at any time during the accounting period for which approval is sought;
 - 1.10.3. the Company is resident in the UK throughout that accounting period;
 - 1.10.4. the Company's ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period;
 - 1.10.5. the Company is not a venture capital trust or a real estate investment trust; and
 - 1.10.6. the Company must not retain in respect of the accounting period an amount greater than the higher of: (i) 15 per cent. of its income for the period; and (ii) the amount of any income which the Company is required to retain in respect of the period by virtue of a

restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (i) and (ii) above, the Company may retain an amount equal to the amount of such losses.

2. THE AIFM

- 2.1. Phoenix Asset Management Partners Limited, a private limited company incorporated and registered in England and Wales under the Companies Act 1985 on 20 February 1998 with registered number 03514660, is the Company's AIFM.
- 2.2. Phoenix's registered office is at 64-66 Glenthams Road, Barnes, London SW13 9JJ, its telephone number is +44 (0) 208 600 0100 and its website is <https://www.phoenixassetmanagement.com/>. Phoenix is registered under the UK AIFMD Laws as a full scope authorised UK AIFM and, under the terms of the Management Agreement, has acted as the Company's alternative investment fund manager since 28 January 2016.
- 2.3. Phoenix is authorised and regulated by the FCA.

3. THE DEPOSITARY

Northern Trust Investor Services Limited has been appointed as depositary of the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 12.3 of this Part 7). The Depositary is a private limited company incorporated in England and Wales under the Companies Act with registered number 12578024. It is authorised and regulated by the FCA. The registered office of the Depositary is at 50 Bank Street, London E14 5NT and its telephone number is 020 7982 2000. The Depositary's LEI is 21380056HBVQ1APUH443.

4. SHARE CAPITAL

- 4.1. The ISIN of the Shares is GB0000633262, the SEDOL of the Shares is 0063326 and the ticker code is ARR.
- 4.2. Set out below is the issued share capital of the Company: (a) as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus; and (b) immediately following the Issue (assuming that 37,691,748 New Shares are issued (such number being based on the illustration provided in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus)). All New Shares issued pursuant to the Issue will be fully paid on Admission.

	As at 21 October 2024		Immediately following the Issue	
	Number	Aggregate nominal value (£)	Number	Aggregate nominal value (£)
Shares	76,292,724	19,073,181	113,984,472	28,496,118

- 4.3. As at 21 October 2024 the Company held no Shares in treasury.
- 4.4. The Shares are admitted to listing on the closed-ended investment funds category of the Official List and to trading on the Main Market. The Company has no authorised share capital.
- 4.5. In addition to the ordinary business of the Company, resolutions were passed at the annual general meeting of the Company held on 12 June 2024 as follows:
 - 4.5.1. in substitution for any pre-existing power to allot or grant rights to subscribe for or convert any securities into ordinary shares in the Company, the Directors were generally and unconditionally authorised, pursuant to, and in accordance with, section 551 of the Companies Act to exercise all powers of the Company to allot ordinary shares in the Company up to a maximum of 20 per cent. of the issued share capital of the Company as at 12 June 2024, with such authority to expire (unless previously varied, revoked or renewed by the Company in general meeting) 15 months after 12 June 2024 or at the conclusion of the Company's next annual general meeting after 12 June 2024, whichever should first occur, save that the Company may before such expiry make an

offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or enter into an agreement as if the authority conferred had not expired;

- 4.5.2. in addition to all existing powers, the Directors were empowered, pursuant to section 570 of the Companies Act, to allot equity securities (as defined in section 560 of the Companies Act) for cash either pursuant to the authority referred to in paragraph 4.5.1 above or by way of a sale of Shares from treasury, as if section 561 of the Companies Act did not apply to any such allotment or sale, provided that such power:
- (a) expires (unless previously varied, revoked or renewed by the Company) 15 months from 12 June 2024, or at the conclusion of the next annual general meeting of the Company after 12 June 2024, whichever is earlier, save that the Company may before such expiry make an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot equity securities (including by way of a sale of Shares from treasury) as if such expiry had not occurred; and
 - (b) shall be limited to the allotment of equity securities up to a maximum of 20 per cent. of the issued Share capital of the Company as at 12 June 2024; and
- 4.5.3. in substitution for any pre-existing authority, but without prejudice to the exercise of such authority prior to 12 June 2024, the Company was generally and unconditionally authorised in accordance with section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of Shares, provided that:
- (a) the maximum aggregate number of Shares authorised to be purchased is 14.99 per cent. of the issued Share capital of the Company as at 12 June 2024;
 - (b) the minimum price which may be paid for a Share is 25 pence;
 - (c) the maximum price which may be paid for a Share is an amount equal to 105 per cent. of the average of the middle market quotations for a Share taken from the Daily Official List of the FCA for the five business days immediately preceding the day on which the Share is purchased; and
 - (d) unless varied, revoked or renewed, such authority expires at the conclusion of the annual general meeting of the Company to be held in 2025 or, if earlier, on the expiry of 15 months from 12 June 2024, save that the Company may at any time prior to such expiry, enter into a contract or contracts to purchase Shares under such authority which would or might be contemplated or executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract or contracts as if the authority conferred had not expired; and
- 4.5.4. the period of notice required for general meetings of the Company (other than the Company's annual general meetings) shall not be less than 14 days.
- 4.6. At the General Meeting, the Directors will seek the Shareholder authority, pursuant to section 551 of the Companies Act, to allot New Shares and to grant rights to subscribe for or to convert any securities into New Shares up to an aggregate nominal amount of £20,000,000 in connection with the Scheme and the Issue representing approximately 104.9 per cent. of the issued Share capital of the Company (excluding treasury Shares) as at 21 October 2024. Such authority will be in addition to the authority referred to in paragraph 4.5.1 above and will expire on 31 March 2025.
- 4.7. The provisions of section 561 of the Companies Act which, to the extent not disapplied pursuant to section 570 or section 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash and shall apply to any unissued Share capital of the Company, except to the extent disapplied by the authority referred to in paragraph 4.5.2 above.

- 4.8. The New Shares will be in registered form and, from Admission, will be capable of being held in uncertificated form and title to such Shares may be transferred by means of a relevant system (as defined in the Uncertificated Securities Regulations). Where the Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 Business Days of the completion of the registration process or transfer of the Shares, as the case may be. Where Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar maintains a register of Shareholders holding their Shares in CREST.
- 4.9. Save as disclosed in this Prospectus, as at 21 October 2024, being the latest practicable date prior to the publication of this Prospectus:
- 4.9.1. no subscriptions, issues or options are to be given by the Company, or are already existing, in respect of any securities of the Company, including any that have a prior right over the Shares to a distribution of the profits or assets of the Company;
 - 4.9.2. no shares which do not represent capital have been issued by the Company and remain outstanding;
 - 4.9.3. no convertible securities, exchangeable securities or securities with warrants have been issued by the Company and remain outstanding; and
 - 4.9.4. save in connection with the Issue, there are no acquisition rights and/or obligations over any of the Company's authorised but unissued capital and no undertakings to increase the Company's capital.
- 4.10. All New Shares will be fully paid on Admission. Subject as provided elsewhere in this Prospectus and in the Articles, Shares are freely transferable.
- 4.11. As at as at 21 October 2024, there have been no public takeover bids in respect of the Company's equity since the Company's financial year ended 31 December 2023.

5. REDEMPTIONS AT THE OPTION OF SHAREHOLDERS

There is no right or entitlement attaching to the Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

6. ARTICLES OF ASSOCIATION

The Company's Articles were adopted by a special resolution passed on 11 July 2012, as revised by special resolutions passed on 13 July 2013 and 10 June 2019. Below is a summary of the provisions in the Articles relating to the rights attached to the Shares, including any limitation of those rights and procedures for the exercise of those rights.

6.1. *Issue of shares*

Subject to the Companies Act, the provisions of the Articles and to any relevant authority of the Company required by the Companies Act, the Board may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any new shares or rights to subscribe for or convert securities into shares, to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Board may decide, provided that no share shall be issued at a discount.

6.2. *Variation of rights*

If at any time the share capital of the Company is divided into different classes of shares, any of the rights for the time being attached to any class (whether or not the Company may be or is about to be wound up) may from time to time be varied or abrogated in such manner (if any) as may be provided in the Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class duly convened and held in accordance with the Companies Act.

All the provisions of the Articles as to general meetings shall, with any necessary modifications, apply equally to every meeting of the holders of any class of shares. The Board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) provided that a person present by proxy is treated as holding only the shares in respect of which the proxy is authorised to exercise voting rights. Every holder of shares of the class (other than a holder of treasury shares), present in person or by proxy, may demand a poll. If at any adjourned meeting of such holders a quorum is not present, one person holding shares of the relevant class (whatever the number of shares held by him but excluding any shares of that class held as treasury shares) who is present in person or by proxy shall be a quorum.

6.3. *Alteration of share capital*

Subject to the provisions of the Companies Act and to any rights for the time being attached to the any shares, the Company may by special resolution reduce its share capital, share premium account, any capital redemption reserve or other undistributable reserve in any way.

The Company may from time to time by ordinary resolution: (i) authorise the Directors to increase its share capital by allotting new shares; (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (iii) subject to the provisions of the Companies Act, sub-divide its shares, or any of them, into shares of smaller amount than its existing shares and may by such resolution determine that, as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred deferred or other special rights or be subject to any such restrictions as the Company has power to attach to new shares; and (iv) redenominate its share capital by converting shares from having a fixed nominal value in one currency to having a fixed nominal value in another currency.

Whenever as a result of any consolidation, division, sub-division or redenomination of shares any holders would become entitled to fractions of a share, the Board may, on behalf of those holders: (i) sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Act, the Company) and distribute the net proceeds of sale after deduction of expenses of the sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company); or (ii) issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation), and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including the share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up the share. In relation to such a capitalisation the Board may exercise all the powers conferred on it by Article 144 without an ordinary resolution of the Company.

Subject to the provisions of the Companies Act, the Board may treat shares of a holder in certificated form and in uncertificated form as separate holdings in giving effect to subdivisions and/or consolidations and may cause any shares arising on sub-division or consolidation and representing fractional entitlements to be entered in the Register as shares in certificated form where this is desirable to facilitate the sale thereof.

6.4. *Redemption of shares*

Subject to the provisions of the Companies Act and to any special rights for the time being attached to any existing shares, any shares may be issued which is, or at the option of the Company or of the holder of such share is liable, to be redeemed on such terms, conditions and in such manner as the Articles may provide or the Directors may determine.

6.5. *Dividends*

Subject to the provisions of the Companies Act and the Articles, the Company may by ordinary resolution declare final dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Companies Act.

Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid on a share in advance of the date on which such payment is due shall be treated for the purposes of the Article as paid on the share. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

6.6. *Distribution of assets on a winding up*

On a return of assets, on a liquidation or otherwise, the surplus assets of the Company after payment of all debts and satisfaction of all liabilities of the Company, and subject to the entitlement of the holders of Shares to be paid an amount equal to the Directors' best estimate of the revenue profits (including accumulated revenue) available for distribution, shall be paid to the holders of Shares.

6.7. *Voting rights*

The holders of Shares have the right to receive notice of, and to attend and vote at, general meetings of the Company. Each holder of Shares who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of each Share held by them.

6.8. *Transfer of shares*

Subject to such of the restrictions of these Articles as may be applicable, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it. All instruments of transfer which are registered may be retained by the Company.

The Board may, in its absolute discretion, refuse to register a transfer of a share (or renunciation of a renounceable letter of allotment) unless: (i) it is in respect of a share which is fully paid up; (ii) it is in respect of only one class of shares; (iii) it is in favour of a single transferee or not more than four joint transferees; (iv) it is duly stamped (if so required); and (v) it is delivered for registration to the Office or such other place as the Board may from time to time determine, accompanied (except in the case of (a) a transfer by a recognised person where a certificate has not been issued, (b) a transfer of an uncertificated share or (c) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or

renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so, provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading.

The Board may refuse to register a transfer of an uncertificated share in other such circumstances as may be permitted or required by the Regulations and the relevant system.

No fee shall be charged for registration of a transfer or on the registration of a probate, letters of administration, certificate of death or marriage, power of attorney, or notice or other instrument relating to or affecting the title to any shares.

6.9. *Restrictions on rights: failure to respond to a section 793 notice*

Where the holder of any shares in the Company, or any person appearing to be interested in those shares, has been duly served with a notice under section 793 of the Companies Act and is in default for a period of 14 days in supplying the Company with the information requested in the section 793 notice then (unless the Directors otherwise determine) for as long as the default continues the member shall not be entitled to be present or vote (whether in person or by proxy) at a general meeting or to exercise any other right conferred by membership in relation to general meetings and, where those shares represent at least 0.25 per cent. in nominal value of their class, the Directors may, in their absolute discretion, withhold all or any a dividend or other moneys payable in respect of those shares and may also refuse to register a transfer of the shares unless the Directors are satisfied that they have been sold outright to an independent third party.

6.10. *Restrictions on rights: ERISA and US securities law matters*

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors (i) would cause the assets of the Company to be treated as “plan assets” of any Benefit Plan Investor under Section 3(42) of ERISA; (ii) would or might result in the Company and/or its shares being required to register or qualify under the US Investment Company Act and/or the US Securities Act and/or the US Exchange Act and/or the local “Blue Sky Laws” of any State of the United States; or (iii) contravene the criteria for eligibility for investing in the Company determined by the Directors from time to time, then any shares which the Directors decide which are so held or beneficially owned (“**Prohibited Shares**”) must be dealt with as follows (and the Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share):

- The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share.
- From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the Share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholders (and those rights will vest in the Chair of any such meeting, who may exercise or refrain from exercising them entirely at his discretion).
- If the notice is not complied with within 21 days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share.
- The net proceeds of sale (after payment of the Company’s costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).

Upon transfer of a share held in uncertificated form, the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is not (i) a Benefit Plan Investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as “plan assets” of any Benefit Plan Investor under Section 3(42) of ERISA; or (ii) a US Person.

6.11. *Untraced Shareholders*

Subject to various notice requirements, including the requirement to publish advertisements in two newspapers giving notice of the Company’s intention to sell the shares, the Company may sell any of a Shareholder’s shares if, during a period of 12 years the Company has paid at least three cash dividends (whether interim or final) on the share and no cash dividend payable on the share has either been claimed or cashed and no written communication has been received by the Company from the Shareholder or person concerned.

6.12. *General meetings*

A general meeting shall be convened by such notice as may be required by law from time to time. The notice of any general meeting shall include such statements as are required by the Companies Act and in any event shall specify: (i) whether the meeting is convened as an annual general meeting or any other general meeting; (ii) the place, the day and the time of the meeting; (iii) the general nature of the business to be transacted at the meeting; (iv) if the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as such; and (v) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or (provided each proxy is appointed to exercise the rights attached to a different share held by the member) more proxies to attend and to speak and vote instead of him and that a proxy need not also be a member. The notice shall be given to the members (other than any who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and to the Auditors and to any other person who may be entitled to receive it.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided in these Articles, two persons entitled to attend and to vote on the business to be transacted, each being a member so entitled or a proxy for a member so entitled or a duly authorised representative of a corporation which is a member so entitled, shall be a quorum.

A corporation (whether or not a company within the meaning of the Companies Act) which is a member may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. A Director, the Company Secretary, or some person authorised for the purpose by the Company Secretary, may require any representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to such Director, Company Secretary or other person before permitting him to exercise his powers.

The appointment of a proxy shall not preclude a member from attending and voting in person on a show of hands or on a poll on any matters in respect of which the proxy is appointed. In the event that and to the extent that a member personally votes their shares, their proxy shall not be entitled to vote and any vote cast by a proxy in such circumstances shall be ignored.

The appointment of a proxy shall, unless the contrary is stated in it, be as valid for any adjournment of the meeting as for the meeting to which it relates.

Each Director shall, notwithstanding that they are not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company. The Chair may invite any person to attend and speak at any general meeting where they consider this will assist in the deliberations of the meeting.

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. Subject to the provisions of the Companies Act, a poll may be demanded by: (i) the

Chair of the meeting; or (ii) at least five members present in person or by proxy and entitled to vote on the resolution; or (iii) a member or members present in person or by proxy representing not less than ten per cent of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to shares held as treasury shares); or (iv) a member or members present in person or by proxy holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution held as treasury shares).

7. THE CITY CODE ON TAKEOVERS AND MERGERS

7.1. Mandatory bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if:

- 7.1.1. any person acquires, whether by a series of transactions over a period of time or otherwise, an interest in shares which, when taken together with shares in which they and persons acting in concert with them are interested, carry 30 per cent. or more of the voting rights in the Company; or
- 7.1.2. any person, together with persons acting in concert with them, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with them, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which they are interested,

such person would be required (except with the consent of the Panel) to make a cash or cash alternative offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by them or their concert parties during the previous 12 months. Except with the consent of the Panel, such an offer must only be conditional on the person having received acceptances in respect of shares which (together with shares already acquired or agreed to be acquired) will result in the person and any person acting in concert with them holding shares carrying more than 50 per cent. of the voting rights.

A person not acting, or presumed not to be acting, in concert with any one or more of the directors of a company will not normally incur an obligation to make a mandatory offer under Rule 9 if, as a result of the redemption or repurchase of shares by that company, they come to exceed the percentage limits set out in Rule 9.

The Panel must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant.

7.2. Compulsory acquisition

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of a class of shares of a company (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares of that class held by holders that have not assented to the offer. It would do so by sending a notice to the holders of shares of that class indicating that it is desirous of acquiring such outstanding shares whereupon the offeror will become entitled and bound to acquire such shares. At the end of six weeks from the date of such notice it would execute a transfer of such outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the holders of such outstanding shares subject to the transfer. The consideration offered to the holders whose outstanding shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares of a company (in value and by voting rights, pursuant to a takeover offer that relates to all the shares in the company) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire their shares on the same terms as the takeover offer ("sell-out rights").

The offeror would be required to give any relevant holder of shares notice of their right to be bought out within one month of that sell-out right arising. Such sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises their sell-out rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

8. DISCLOSURES UNDER UK MAR

The table below sets out a summary of the information disclosed by the Company under UK MAR over the 12 month period preceding the date of this Prospectus and which is relevant as at the date of this Prospectus.

Date	Title of Announcement	Disclosure
2 September 2024	Proposed combination with Artemis Alpha Trust plc	Announcement of agreement of heads of terms in connection with the Proposals

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

9.1. Directors' interests

As at 21 October 2024 and following implementation of the Issue, the interests (all of which are or will be beneficial unless otherwise stated) of the Directors (together with their connected persons) in the issued share capital of the Company are, or are estimated to be, as follows:

Director	Number of Shares as at 21 October 2024	Percentage of issued Share capital (%) as at 21 October 2024	Number of Artemis Alpha Shares as at 21 October 2024	Number of Shares following completion of the Issue	Estimated percentage of issued Share capital (%) following completion of the Issue*
Lucy Walker (Chair)	26,300	0.03	nil	26,300	0.02
Farah Buckley	4,500	0.01	nil	4,500	0.00
Lady Rachael Robathan	9,584	0.01	nil	9,584	0.01
David Stevenson	18,266	0.02	nil	18,266	0.02

* Assuming the total issued Share capital (excluding treasury Shares) of the Company following completion of the Issue is 113,984,472 based on the illustrative calculations set out in paragraph 3 of Part 4 (The Scheme and the Issue) of this Prospectus.

As at the date of this Prospectus, save as disclosed above, no Director has any interest, whether beneficial or non-beneficial, in the Share or loan capital of the Company.

9.2. Directors' contracts with the Company

- 9.2.1. No Director has a service contract with the Company, nor are any such contracts proposed. Each Director has been appointed pursuant to a letter of appointment entered into with the Company.
- 9.2.2. The Directors' appointments can be terminated in accordance with the Articles and without compensation or in accordance with the Companies Act or common law. Pursuant to the Articles, at each annual general meeting of the Company: (i) one-third of the Directors shall retire from office by rotation; (ii) any Director who was elected or last re-elected at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation; and (iii) any such retired Director may stand for re-election at the annual general meeting. Notwithstanding the provisions of the Articles, the Company's policy is that each Director is subject to annual re-election in accordance with the provisions of the AIC Code.
- 9.2.3. The Articles provide that the office of Director may be terminated by, among other things: (i) resignation; (ii) unauthorised absences from Board meetings for six consecutive months; or (iii) notice in writing signed by all of the other Directors stating that the Director shall cease to be a director of the Company.

- 9.2.4. Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. As at the date of this Prospectus: Lucy Walker, as Chair, is entitled to receive £45,968 per annum; Farah Buckley, as chair of the Audit Committee, is entitled to receive £34,590 per annum; and all other Directors are entitled to receive £29,640 per annum for their services as Directors of the Company.
- 9.2.5. No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits for the Directors.

9.3. Directors' other interests

- 9.3.1. As at the date of this Prospectus, the Directors are, or have been during the five years preceding the date of this Prospectus, a director, member of the administrative, management or supervisory body or partner of the following companies and partnerships (other than the Company):

	Current directorships/partnerships	Past directorships/partnerships
Lucy Walker (Chair)	AM Insights Technology Limited Changing Digital Limited Henderson International Income Trust PLC SportsAid	Keen London
Farah Buckley	Apollo Syndicate Management Limited Caledonia Investments plc Leeds Building Society Long Term Assets Limited	Evora SRC Limited
Lady Rachael Robathan	Interim Advisory Board of the Office for Local Government Knightsbridge Neighbourhood Forum Limited Westminster Almshouses Corporate Trustee Westminster City Council	Leader of Westminster City Council National Lottery Community Fund The Francis Holland (Church of England) Schools Trust The Royal Parks Limited
David Stevenson	AMPK Labs Limited Castelnau Group Limited Doceo Group Limited ETF Stream Limited Gresham House Energy Storage Fund PLC Secured Income Fund PLC Stockmarkets Digest Limited Workspace Group PLC	AltFi Limited (dissolved) The Rocket Science Group Holdings Limited (dissolved) Windhorse Aerospace Limited (dissolved)

- 9.3.2. As at the date of this Prospectus there are no potential conflicts of interest between any of the Directors' duties to the Company and their private interests and/or other duties.
- 9.3.3. There are no lock-up provisions regarding the disposal by any of the Directors of any Shares.
- 9.3.4. Save as disclosed in this Prospectus, in the five years before the date of this Prospectus, the Directors:
- (a) do not have any convictions in relation to fraudulent offences;
 - (b) have not been associated with any bankruptcies, receiverships, liquidations or administrations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and

- (c) do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

9.3.5. Mr Stevenson was a director of:

- (a) AltFi Limited, a private limited company that voluntarily applied to the UK Registrar of Companies to be struck off the UK Register of Companies on 10 December 2021 and was dissolved on 22 March 2022.
- (b) The Rocket Science Group Holdings Limited, a private limited company that voluntarily applied to the UK Registrar of Companies to be struck off the UK Register of Companies on 12 June 2023 and was dissolved on 17 October 2023.
- (c) Windhorse Aerospace Limited, a private limited company that was struck off the UK Register of Companies on 9 August 2022 and dissolved on 16 August 2022.

9.3.6. The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

9.4. Major Shareholders

As at close of business on 21 October 2024, being the latest practicable date prior to the publication of this Prospectus, other than as set out below, there are no persons known to the Company who, directly or indirectly, are interested in three per cent. or more of the Company's issued Share capital or voting rights:

Shareholder	Number of Shares	Percentage of issued Share capital (%)
Rothschild Wealth Management	10,570,564	13.86
RBC Brewin Dolphin	6,169,502	8.09
Phoenix Asset Management Partners	5,598,503	7.34
Raymond James Investment Services	4,323,780	5.67
Hargreaves Lansdown	4,314,990	5.66
Interactive Investor	3,926,272	4.32
ING Luxembourg	3,269,468	4.29
1607 Capital Partners	2,812,530	3.69
Columbia Threadneedle Investments	2,425,000	3.18
Pictet & Cie, Luxembourg	2,300,570	3.02

None of the Shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares. So far as is known to the Company, as at the date of this Prospectus, the Company will not, immediately following the Issue, be directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.

9.5. Related party transactions

Save for payment of fees and expenses to the AIFM and its affiliates pursuant to the Management Agreement, which is summarised in paragraph 12.1 of this Part 7, the Company has not entered into any related party transaction (within the meaning of IFRS) at any time during the period from 30 June 2024 to the date of publication of this Prospectus.

9.6. Other material interests

9.6.1. The AIFM, any of its directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed, may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company.

- 9.6.2. In particular, interested parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, the AIFM, any of its respective directors, officers, employees, agents and affiliates, and any person or company with whom they are affiliated or by whom they are employed may (subject to any restrictions contained in any relevant management agreement) acquire on behalf of a client an investment in which the Company may also invest.

10. SHARE OPTIONS AND SHARE SCHEME ARRANGEMENTS

No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

11. OTHER INVESTMENT RESTRICTIONS

- 11.1. The Company will at all times invest and manage its assets with the objective of spreading investment risk and in accordance with its published investment policy and the investment restrictions set out therein. The Company's current investment policy is set out in paragraph 3 of Part 1 (*The Company*) of this Prospectus.
- 11.2. In the event of a material breach of the investment policy and/or restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the AIFM via an RIS announcement.

12. MATERIAL CONTRACTS

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the Company is a party or which contains any provision under which the Company has any obligation or entitlement which is material to it as at the date of this Prospectus.

12.1. Management Agreement

The Company entered into the Management Agreement with the AIFM on 28 January 2016. Under the terms of the Management Agreement, the AIFM has been appointed to provide to the Company portfolio and risk management services in accordance with the Company's investment objective and policy, and subject to the overall supervision of the Board.

Pursuant to the Management Agreement, the AIFM receives no base management fee and is remunerated only by way of a performance fee equal to one third of the outperformance of the Company's NAV total return over the FTSE All-Share Total Return Index for each financial year (or, where no performance fee is payable in respect of a financial year, in the period since a performance fee was last payable). The performance fee is calculated by reference to the average of the Company's net assets (before any performance fee accrual and adjusted by adding back any dividends paid or payable and for the effect of any share buybacks) on each business day over the performance period and crystallises on an annual basis as at 31 December.

The performance fee is subject to a cap of: (i) 4 per cent. per annum of the end of year Company NAV in the event that the Company's NAV per Share has increased in absolute terms over the period; or (ii) 2 per cent. in the event that the Company's NAV per Share has decreased in absolute terms over the period. Excess outperformance is carried forward and only paid if the Company outperforms, and such cap is not exceeded, in subsequent years.

When a performance fee is payable, it is paid by way of the issuance of Shares, which are subject to a fixed three-year lock-in period, at the end of which a test is performed and if there has been underperformance during the lock-in period, the Company is entitled to require Phoenix to transfer back to the Company some or all of the Shares it received in satisfaction of the performance fee. In the event that Phoenix is required to transfer such Shares back to the Company, the performance fee calculation in respect of subsequent performance periods is adjusted to take account of the level of outperformance lost as a result of the exercise of such claw back, with a view to ensuring that Phoenix is able to earn a performance fee on the basis of cumulative long term outperformance (including lost outperformance which is subsequently regenerated).

The performance fees payable to Phoenix under the Management Agreement will not be amended in connection with the Proposals save that the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be excluded from the calculation of the Company's NAV total return for the purposes of calculating Phoenix's performance fees. As the increase in the Company's NAV resulting from the acquisition of assets from Artemis Alpha under the Proposals will be reflected in the Company's net assets with effect from the business day immediately following the Effective Date of the Scheme, it is expected that the increased NAV will be reflected, on a time weighted basis, in the average net assets used for purposes of calculating the performance fee payable to Phoenix during the current performance period.

Phoenix has agreed to make a contribution of an amount equal to £750,000 towards the direct fixed costs to be incurred by the Company and Artemis Alpha in connection with the Proposals. The Phoenix Costs Contribution will be allocated first to pay the Company Fixed Implementation Costs up to a cap of £500,000 (with such amount being credited to the Aurora FAV), with the balance of the Phoenix Costs Contribution (being at least £250,000) allocated to pay Artemis Alpha's direct fixed costs in connection with the Proposals (with such amount being credited to the ATS Residual Net Asset Value). The exact allocation of the benefit of the Phoenix Costs Contribution between the Company and Artemis Alpha will be calculated as at the Calculation Date and reflected in the calculation of the ATS Rollover FAV and the Aurora FAV accordingly.

The Phoenix Costs Contribution will be effected through a waiver of the performance fees that would otherwise be payable by the Company to Phoenix, up to the financial value of £750,000, in respect of each of the Relevant Periods. In the event that the aggregate performance fees payable in respect of the Relevant Periods is less than £750,000, Phoenix will satisfy any shortfall by transferring Shares it holds to the Enlarged Company or in cash (in either case net of any costs of making such transfer or payment and without the Enlarged Company making any payment to Phoenix). For the avoidance of doubt, any Shares transferred in settlement of any shortfall in the Phoenix Cost Contribution would be in addition to any Shares that may or may not be transferred by Phoenix to the Enlarged Company under the clawback element of the performance fee methodology.

The Phoenix Costs Contribution is subject to a clawback provision such that, in the event of the termination of Phoenix's appointment as AIFM and investment manager to the Enlarged Company on a no-fault basis: (i) on or prior to 31 December 2025, Phoenix will be entitled to claim back 100 per cent. of the Phoenix Costs Contribution; and (ii) between 1 January 2026 and 31 December 2026 (inclusive), 50 per cent. of the Phoenix Costs Contribution.

The Management Agreement is terminable by:

- 12.1.1. the Company on twelve months' notice;
- 12.1.2. the AIFM on twelve months' notice;
- 12.1.3. either the Company or the AIFM immediately by notice in writing in the event of certain market standard triggers including: (i) certain insolvency events affecting either party; (ii) where either party is guilty of any wilful material default or fraud in connection with the performance of its duties under the Management Agreement; (iii) where either party commits any material breach of its obligations under the Management Agreement (and, where such a breach is remediable the material breach is not remedied within 30 days of receipt of written notice of such a breach); or (iv) where either party is required to terminate the Management Agreement by the FCA or other regulatory authority; and
- 12.1.4. the Company by notice in writing should: (i) the AIFM cease to maintain relevant regulatory permissions; or (ii) the AIFM be subject to an adverse finding by the FCA relating to its control systems or other aspects of its business which might reasonably be expected to have a materially adverse effect on the Company's business or reputation.

The Management Agreement contains customary indemnities given by the Company in favour of the AIFM.

The Management Agreement is governed by the laws of England and Wales.

12.2. Administration and Distribution Agreement

Frostrow Capital LLP ("**Frostrow**") has been appointed to provide the Company with company secretarial, administration, marketing and investor relations services pursuant to the Administration and Distribution Agreement entered into between the Company, the AIFM and Frostrow dated 28 September 2022. Frostrow may outsource its functions under the Administration and Distribution Agreement to a third-party subject to the Company's prior written consent. Certain administrative and accounting functions are outsourced to Northern Trust Global Services plc, as agreed by the parties to the Administration and Distribution Agreement.

Frostrow is entitled to an administration and management services fee, which is charged monthly in arrears, and equal to 1/12 of the aggregate of: (i) 17.5 basis points per annum of the Company's market capitalisation as at the end of each calendar month up to (but not including) £150 million; and (ii) 15 basis points per annum on that part of the Company's market capitalisation as at the end of each calendar month in excess of £150 million. In the 12 months prior to publication of this Prospectus, the fees payable to Frostrow amounted to approximately £325,000.

The Administration and Distribution Agreement is terminable by:

- 12.2.1. either party on six months' prior written notice;
- 12.2.2. either party immediately in the event of certain market standard triggers including: (i) certain insolvency events affecting the other party; and (ii) the other party committing any material or persistent breach of its material obligations under the Administration and Distribution Agreement (and, where such a breach is remediable, the material breach is not remedied within 30 days of receipt of written notice of such a breach); and
- 12.2.3. the Company immediately by notice in writing if: (i) a person or group of persons acting in concert (as defined in the Takeover Code) shall acquire more than 50 per cent. of the votes normally exercisable at general meetings of Frostrow; or (ii) if Frostrow ceases to maintain the relevant regulatory permissions; and
- 12.2.4. Frostrow immediately by notice in writing if: (i) the Company acts so as to cause Frostrow to be deemed to be carrying on the regulated activity of 'managing an AIF' or shall result in Frostrow being considered an external valuer for the purposes of the UK AIFMD Laws; or (ii) where Frostrow is required to do so by the FCA or any other governmental or regulatory body.

The Administration and Distribution Agreement contains customary indemnities given by the Company in favour of Frostrow.

The Administration and Distribution Agreement is governed by the laws of England and Wales.

12.3. Depositary Agreement

The Depositary Agreement was entered into amongst the Company, the AIFM and Northern Trust Investor Services Limited on 27 September 2022. Under the Depositary Agreement the Depositary is appointed to act as depositary and custodian of the Company. The Depositary performs the customary services of a depositary in accordance with the UK AIFMD Laws. The Depositary may delegate its obligations in respect of custody services or asset verification services to a sub-custodian, such as The Northern Trust Company, subject to the UK AIFMD Laws and certain conditions within the Depositary Agreement. The Depositary has not contractually discharged any of its liabilities under the Depositary Agreement in respect of any delegated services.

The Depositary is entitled to receive payment as compensation for the performance of its duties under the Depositary Agreement. The Depositary is also entitled to reimbursement of extraordinary expenses incurred in the performance of its duties under the Depositary Agreement.

The Depositary Agreement may be terminated by either party on six months prior written notice. The Depositary Agreement may be immediately terminated by any party in certain circumstances such as customary insolvency events or where any party ceases to be authorised to carry on its relevant regulated activity by the relevant regulatory authority. The Depositary Agreement contains customary indemnities given by the Company in favour of the Depositary.

The Depositary Agreement is governed by the laws of England and Wales.

12.4. Registrar Agreement

Link Group has been appointed as the Company's Registrar pursuant to the Registrar Agreement entered into between the Company and the Registrar dated 6 February 2023 to provide registrar and receiving agent services to the Company.

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual inclusive fee of approximately £25,000 (plus VAT), which it is entitled to increase annually at the rate of the Retail Price Index prevailing at the time. The Registrar charges additional fees for services that are not included in the annual inclusive fee.

Either party may terminate the Registrar Agreement by giving the other not less than three months' written notice. Either party may terminate the Registrar Agreement with immediate effect upon notice if the other party is subject to certain insolvency events or commits a material breach of the Registrar Agreement which (if capable of remedy) that party fails to remedy within forty-five days of written notice requiring it to do so.

The Registrar Agreement is governed by the laws of England.

12.5. Receiving Agent Agreement

The Company and the Receiving Agent have entered into the Receiving Agent Agreement dated 16 October 2024 pursuant to which the Receiving Agent has been appointed as receiving agent to the Company for the purposes of the Scheme.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fixed project fee of £45,555, and to the reimbursement of reasonable out of pocket expenses incurred in connection with the provision of services under the Receiving Agent Agreement.

Either party may terminate the Receiving Agent Agreement with immediate effect upon written notice if (i) the other party commits a material breach of its obligations under the Receiving Agent Agreement which (if capable of remedy) that party has failed to remedy within 14 days of receipt of written notice from the first party requiring it to do so, or (ii) the other party is subject to certain insolvency events.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent's liability under the Receiving Agent Agreement is also subject to a cap.

The Receiving Agent Agreement is governed by the laws of England and Wales.

12.6. Sponsor Engagement Letter

In connection with the Scheme and the Issue, the Company and Dickson Minto Advisers entered into the Sponsor Engagement Letter on 8 October 2024.

The Sponsor Engagement Letter may be terminated by Dickson Minto Advisers in certain customary circumstances, including prior to Admission. Dickson Minto Advisers will be entitled to receive a sponsorship and financial advisory fee pursuant to the Sponsor Engagement Letter and is also entitled to be reimbursed by the Company for certain of its properly incurred costs and expenses of and incidental to the Scheme and the Issue and related arrangements together with any applicable VAT.

The Company has given certain market standard indemnities in favour of Dickson Minto Advisers in respect of Dickson Minto Advisers' potential losses in carrying on its responsibilities as Sponsor to the Company. Dickson Minto Advisers' liability under the Sponsor Agreement is subject to a cap.

The Sponsor Engagement Letter is governed by the laws of England and Wales.

12.7. Transfer Agreement

If the resolution to be proposed at the Second Artemis Alpha General Meeting is passed, the Company, Artemis Alpha and the Liquidators will enter into the Transfer Agreement on or around the Effective Date, which is expected to be 29 November 2024, pursuant to which the cash, undertaking and assets of Artemis Alpha comprising the Rollover Pool will be transferred to the Company in consideration for the issue by the Company of the New Shares to the Liquidators (as nominees for Eligible Artemis Alpha Shareholders who are deemed to have elected for the Rollover Option), which the Liquidators have agreed to renounce in favour of such Eligible Artemis Alpha Shareholders (or otherwise to hold as nominees for Excluded Artemis Alpha Shareholders in accordance with the terms of the Scheme).

Completion of the transfer of the cash, undertaking and assets of Artemis Alpha comprised in the Rollover Pool will take place on the date of satisfaction of the Scheme conditions or as soon as practicable thereafter.

Upon or as soon as practicable following completion of the transfer, in respect of the transfer of any undertaking and assets of Artemis Alpha pursuant to the Transfer Agreement, Artemis Alpha acting by the Liquidators, at the Company's risk, shall:

- 12.7.1. deliver to the Company, or as it may direct, duly executed transfers in favour of the Company in respect of all shares, securities and other assets comprised in the Rollover Pool which pass by transfer, together with the relevant certificates or other documents of title relating thereto (to the extent these are in Artemis Alpha's possession or control);
- 12.7.2. procure and deliver to the Company, or as it may direct, copies of any consents, licences and approvals necessary to transfer the assets comprised in the Rollover Pool (to the extent these are in Artemis Alpha's possession or control);
- 12.7.3. deliver to the Company, or as it may direct, all bearer instruments and other assets comprised in the Rollover Pool which pass by delivery; and
- 12.7.4. promptly give instructions to any person, company or other undertaking holding any part of the assets comprised in the Rollover Pool as nominee or on trust for Artemis Alpha or its nominee requiring such person, company or other undertaking to transfer such assets to, or to execute a declaration of nomineehip or trust in favour of, the Company and/or as the Company may direct.

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

The Transfer Agreement will be governed by the laws of England and Wales.

The parties to the Transfer Agreement have entered into irrevocable undertakings to enter into the Transfer Agreement on the Effective Date.

13. LITIGATION

There have been no, and there are no ongoing, governmental, legal or arbitration proceedings during the 12 month period prior to the date of this Prospectus, and the Company is not aware of any such proceedings which are pending or threatened, or of any such proceedings having been pending or

threatened during the 12 month period prior to the date of this Prospectus, in each case which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company and/or its group.

14. THIRD-PARTY INFORMATION AND CONSENTS

- 14.1. Where third-party information has been referenced in this Prospectus, the source of that third-party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 14.2. The Sponsor has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 14.3. The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 14.4. The AIFM accepts responsibility for and has given and not withdrawn its consent to, and has authorised, for the purpose of this Prospectus, the inclusion in this Prospectus of the information and opinions contained in: (a) the risk factors set out under the heading “*Risks relating to the investment policy*” in the *Risk Factors* section of this Prospectus; (b) Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; (c) paragraph 2.1 (*Managerial arrangements*) of Part 3 of this Prospectus; and (d) any other information or opinion related to or attributed to the AIFM or to any of the AIFM’s affiliates. To the best of the knowledge of the AIFM, the information contained in those parts of this Prospectus for which it is responsible is in accordance with the facts and those parts of this Prospectus for which it is responsible make no omission likely to affect their import.

15. PROFILE OF TYPICAL INVESTORS

The Company is a long-term investment vehicle, appropriate for those making investments with at least a three-year time horizon. It is aimed at investors looking for a manager with a business and value orientated approach, achieved through investments in predominately UK companies demonstrating a high return on capital and control over their profitability through the strength of their business franchise. The Company’s Portfolio is typically concentrated in a small number of deeply researched stocks, which can result in above average volatility. An investment in the Company may be best suited to investors with at least an underlying knowledge of equity investments. The Company is measured against the Benchmark Index but does not follow this in its Portfolio construction. It is intended for investors looking for capital appreciation rather than income, and while it does distribute a dividend, this is not the strategic aim of its investment approach.

16. GENERAL MEETING

The Company will publish the Circular on or around the date of this Prospectus. The Notice of General Meeting which is included in the Circular sets out in full the Resolution to be tabled at the General Meeting of the Company to be held at 10.30 a.m. on 22 November 2024.

17. DOCUMENTS ON DISPLAY

- 17.1. The following documents will be available for inspection on the Company’s website at <https://www.aurorainvestmenttrust.com> from the date of this Prospectus until the date of Admission:
 - 17.1.1. this Prospectus dated 24 October 2024;
 - 17.1.2. the 2022 Annual Report;
 - 17.1.3. the 2023 Annual Report;
 - 17.1.4. the 2023 Interim Report;

17.1.5. the 2024 Interim Report;

17.1.6. the Articles; and

17.1.7. the Circular, of which the Notice of General Meeting forms part.

In addition, a copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>.

PART 8 – DEFINITIONS

In this Prospectus, the words and expressions listed below have the meanings set out opposite them (except where the context otherwise requires):

2022 Annual Report	the statutory annual report and audited financial statements of the Company for the financial year ended 31 December 2022
2023 Annual Report	the statutory annual report and audited financial statements of the Company for the financial year ended 31 December 2023
2023 Interim Report	the Company's unaudited interim report and unaudited financial statements for the six-month period ended 30 June 2023
2024 Interim Report	the Company's unaudited interim report and unaudited financial statements for the six-month period ended 30 June 2024
Administration and Distribution Agreement	the administration and distribution agreement dated 28 September 2022 between the Company and Frostrow, as summarised in paragraph 12.2 of Part 7 (<i>General Information</i>) of this Prospectus
Admission	the admission of the New Shares issued pursuant to the Issue to listing on the closed-ended investment funds category of the Official List and to trading on the Main Market becoming effective
AIC	the Association of Investment Companies
AIC Code	the 2019 AIC Code of Corporate Governance, as revised or updated from time to time
Artemis Alpha	Artemis Alpha Trust plc, a public limited company incorporated in England and Wales with registered number 00253644, the registered office of which is at Artemis Investment Management LLP, Cassini House 57-59, St. James's Street, London SW1A 1LD
Artemis Alpha Board	the board of directors of Artemis Alpha, including any duly constituted committee thereof
Artemis Alpha Directors	the directors of Artemis Alpha, from time to time
Artemis Alpha General Meetings	the First Artemis Alpha General Meeting and/or the Second Artemis Alpha General Meeting, as the context requires
Artemis Alpha Investment Manager	Artemis Fund Managers Limited, a private limited company incorporated in England and Wales with registered number 01988106, the registered office of which is at Cassini House, 57 St. James's Street, London SW1A 1LD
Artemis Alpha Resolution or Artemis Alpha Resolutions	the special resolutions to be proposed at the First Artemis Alpha General Meeting and the Second Artemis Alpha General Meeting, or any of them as the context may require

Artemis Alpha NAV per Share	the NAV of Artemis Alpha divided by the number of Artemis Alpha Shares in issue (excluding any Artemis Alpha Shares held in treasury) at the relevant time
Artemis Alpha Shares	ordinary shares of 1 penny each in the capital of Artemis Alpha
Artemis Alpha Shareholders	holders of Artemis Alpha Shares whose names are entered on the Artemis Alpha Register as at the Record Date
Artemis Alpha Portfolio	Artemis Alpha's portfolio of investments prior to the Effective Date
Artemis Alpha Pre-Liquidation Interim Dividend	the interim dividend of 3.71 pence per Artemis Alpha Share that Artemis Alpha proposes to pay on 22 November 2024 to Artemis Alpha Shareholders on the Artemis Alpha Register as at 1 November 2024
Artemis Alpha Register	the register of members of Artemis Alpha
Artemis Alpha Registrar	Link Group, the trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568, the registered office of which is at Central Square, 29 Wellington Street, Leeds LS1 4DL
Articles	the articles of association of the Company, as amended from time to time
ATS Cash Pool FAV	the ATS Residual Net Asset Value multiplied by the Cash Exit Percentage minus the Cash Option Adjustments
ATS Cash Pool FAV per Share	the ATS Cash Pool FAV divided by the total number of Artemis Alpha Shares elected and deemed to have been for the Cash Option (expressed in pence), and rounded down to six decimal places
ATS Residual Net Asset Value	an amount equal to the gross assets of Artemis Alpha as at the Calculation Date (calculated in accordance with Artemis Alpha's normal accounting policies) and adjusted to take account of Artemis Alpha's portion of the benefit of the Phoenix Costs Contribution, less: (i) the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Artemis Alpha Shareholders); and (ii) the value of any dividends declared by Artemis Alpha as at the Calculation Date but not paid to Artemis Alpha Shareholders nor reflected in the Artemis Alpha's Net Asset Value as at the Calculation Date
ATS Rollover FAV	the ATS Residual Net Asset Value multiplied by the Rollover Percentage plus an amount equal to the lower of: (a) the Cash Option Adjustments; and (b) the value of the ATS Scheme Costs multiplied by the Rollover Percentage
ATS Rollover FAV per Share	the ATS Rollover FAV divided by the total number of Artemis Alpha Shares deemed to be elected for the Rollover Option (excluding Artemis Alpha Shares held in treasury) (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)

ATS Scheme Costs	the direct fixed costs incurred and to be incurred by Artemis Alpha in connection with the Proposals
Audit Committee	the committee of this name established by the Board and having the duties described in paragraph 3.2 of Part 3 (<i>Directors, Management and Administration of the Company</i>) of this Prospectus
Auditor	BDO LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnerships Act 2000 with registered number OC305127, the registered office of which is at 55 Baker Street, London, W1U 7EU
Aurora FAV	the Company's Net Asset Value calculated as at the Calculation Date, in accordance with the Company's normal accounting policies on a cum income basis, adjusted by: (a) deducting any dividends declared but neither reflected in the Company's Net Asset Value nor paid by the Company to Shareholders prior to the Calculation Date; (b) deducting an amount equal to the Company Fixed Implementation Costs (to the extent not already reflected in the Company's Net Asset Value as at the Calculation Date) and excluding, for the avoidance of doubt, any listing fees to be borne by the Company in respect of the listing of the New Shares and any stamp duty, SDRT or other transaction tax or investment costs incurred by the Company in connection with the transfer of the Rollover Pool; and (c) adding an amount equal to the benefit of the Phoenix Costs Contribution attributable to the Company
Aurora FAV per Share	the Aurora FAV divided by the number of Shares in issue (excluding Shares held in treasury, if any) as at the Calculation Date (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
Aurora Interim Dividend	the interim dividend of 3.00 pence per Share in respect of the period to 30 September 2024 which is expected to be paid by the Company on 6 December 2024 to Shareholders on the Register as at close of business on 1 November 2024
Basic Entitlement	subject to the Scheme becoming effective in accordance with its terms, the entitlement of each Artemis Alpha Shareholder to elect for, and have accepted in full an election for, the Cash Option in respect of up to 25 per cent. by number of its holding of Artemis Alpha Shares as at the Calculation Date, rounded down to the nearest whole share
Benchmark Index	the Company's benchmark index, being the FTSE All-Share Index (total return)
Board	the board of Directors of the Company, including any duly constituted committee thereof
Business Day	a day on which the London Stock Exchange and banks in the UK are normally open for business

Calculation Date	the time and date to be determined by the Artemis Alpha Board (but expected to be close of business on 22 November 2024) at which the value of Artemis Alpha's assets and liabilities will be determined for the purposes of creating the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the ATS Rollover FAV per Share, the ATS Cash Pool FAV per Share and the Aurora FAV per Share will be calculated for the purposes of the Scheme
Cash Exit Percentage	the percentage of Artemis Alpha Shares in respect of which valid elections have, or are deemed to have, been made for the Cash Option (following any required scaling back in accordance with the Scheme)
Cash Option	the option for Artemis Alpha Shareholders to receive cash under the terms of the Scheme
Cash Option Adjustments	the Cash Pool Liquidity Adjustment and the Cash Option Discount
Cash Option Discount	the 2 per cent. discount to be applied to elections made, and deemed to be made, for the Cash Option, as described in paragraph 2.3 of Part 4 (<i>Details of the Scheme and the Issue</i>) of this Prospectus
Cash Pool	the pool of Artemis Alpha's assets attributable to the Artemis Alpha Shares elected or deemed to be elected for the Cash Option under the Scheme
Cash Pool Liquidity Adjustment	an amount equal to 20 per cent. of the aggregate value, as at the Calculation Date, of the Unquoted Holdings that form part of the Rollover Pool multiplied by the Cash Exit Percentage
Castelnau	Castelnau Group Limited, a non-cellular company limited by shares incorporated under the laws of Guernsey with registered number 67529, whose principal activity is that of a multi-sector financial holding company that is listed on the Specialist Fund Segment of the London Stock Exchange and managed by Phoenix
certificated or in certificated form	a share or other security which is not in uncertificated form
Chair	the chair of the Board, from time to time
Circular	the shareholder circular relating to the General Meeting and the Resolution issued by the Company on or around the date of this Prospectus
Companies Act	the UK Companies Act 2006, as amended from time to time
Company	Aurora Investment Trust plc (to be renamed "Aurora UK Alpha plc" subject to the Proposals becoming effective), a public limited company incorporated in England and Wales with registered number 03300814, the registered office of which is at 25 Southampton Buildings, London WC2A 1AL
Company Fixed Implementation Costs	all direct fixed costs incurred by the Company in connection with implementing the Scheme prior to the Effective Date

Continuation Vote	the triennial continuation vote held by the Company
Corporation Tax Act	the UK Corporation Tax Act 2010, as amended from time to time
CREST	the Relevant System as defined in the Uncertificated Securities Regulations in respect of which Euroclear is operator (as defined in the Uncertificated Securities Regulations), in accordance with which securities may be held in uncertificated form
CREST Account	an account in CREST
CRS or Common Reporting Standard	the global standard for the automatic exchange of financial information between tax authorities developed by the OECD
Depository	Northern Trust Investor Services Limited, a private limited company incorporated in England and Wales with registered number 12578024, the registered office of which is at 50 Bank Street, London E14 5NT
Depository Agreement	the depository agreement dated 27 September 2022 between the Company, the AIFM and the Depository, which is summarised in paragraph 12.3 of Part 7 (<i>General Information</i>) of this Prospectus
Directors	the directors of the Company, from time to time
Disclosure Guidance and Transparency Rules	the UK disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
Dissenting Artemis Alpha Shareholder	an Artemis Alpha Shareholder who validly dissents from the Scheme pursuant to section 111(2) of the Insolvency Act
EEA	the European Economic Area
EEA Member State	any member state within the EEA from time to time
Effective Date	the date on which the Scheme becomes effective, which is expected to be 29 November 2024
Eligible Artemis Alpha Shareholders	Artemis Alpha Shareholders excluding (i) Dissenting Artemis Alpha Shareholders; and (ii) Excluded Artemis Alpha Shareholders, (save where the Company, at its absolute discretion, determines otherwise)
Eligible US Artemis Alpha Shareholder	a US Artemis Alpha Shareholder who is not an Ineligible US Artemis Alpha Shareholder;
Enlarged Company	the Company following completion of the Proposals
ERISA	the U.S. Employment Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
ESG	environmental, social and governance criteria, being three factors that investors may consider in connection with a company's activities
EU	the European Union

EU AIFM Delegated Regulation	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
EU AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 and the EU AIFM Delegated Regulation
EU Market Abuse Regulation or EU MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing the Directive of the European Parliament and of the Council of 28 January 2003 and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
EU PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (“ PRIIPs ”) and its implementing and delegated acts
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
Euroclear	Euroclear UK & International Limited, a private limited company incorporated in England and Wales with registered number 02878738, the registered office of which is at 33 Cannon Street, London EC4M 5SB, the operator of CREST
Excess Application	that portion of an election by an Artemis Alpha Shareholder for the Cash Option that exceeds that shareholder’s Basic Entitlement
Excluded Artemis Alpha Shareholder	an Artemis Alpha Shareholder who is: (i) an Overseas Artemis Alpha Shareholder; and/or (ii) a Sanctions Restricted Person
Existing Aurora Shareholders	holders of Shares prior to the Effective Date
FATCA	Sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act (together with any regulations, rules and other guidance implementing such sections and any applicable IGA or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
FAV	formula asset value
FCA or Financial Conduct Authority	the Financial Conduct Authority of the United Kingdom whose place of business is at 12 Endeavour Square, London E20 1JN, including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof

First Artemis Alpha General Meeting	the general meeting of Artemis Alpha in relation to the Scheme, convened for 2.00 p.m. on 19 November 2024, or any adjournment of that meeting
Form of Proxy	the form of proxy for use in connection with the General Meeting
Frostrow or Company Secretary	Frostrow Capital LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnerships Act 2000 with registered number OC323835, the registered office of which is at 25 Southampton Buildings, London, WC2A 1AL
FSMA	the UK Financial Services and Markets Act 2000, as amended from time to time
General Meeting	the general meeting of the Company convened for 10.30 a.m. on 22 November 2024 at the Company's registered office, 25 Southampton Buildings, London WC2A 1AL or any adjournment of that meeting
HMRC	HM Revenue & Customs in the UK
IFRS	the UK-adopted International Accounting Standards
IGA	intergovernmental agreement
Ineligible US Artemis Alpha Shareholder	a US Artemis Alpha Shareholder which does not execute and return the US Investor Certificate to the Company and which, by acquiring/receiving New Shares, the Board believes would: (i) give rise to an obligation on the Company to register as an "investment company" under the US Investment Company Act or any similar legislation; (ii) give rise to an obligation on the Company to register the New Shares under the US Securities Act or any similar legislation; (iii) give rise to an obligation on the Company to register under the US Exchange Act or any similar legislation; (iv) result in the Company no longer being considered a "foreign private issuer" for the purposes of the US Securities Act or the US Exchange Act; (v) result in a "benefit plan investor" acquiring/receiving New Shares; or (vi) result in a US Person holding Shares in violation of the transfer restrictions set out in this Prospectus
Insolvency Act	the UK Insolvency Act 1986, as amended from time to time
Investment Trust Tax Regulations	The Investment Trust (Approved Company) (Tax) Regulations 2011
IRS	the US Internal Revenue Service
ISA	an individual savings account approved in the UK by HMRC
ISIN	international securities identification number
Issue	the issue of New Shares to Eligible Artemis Alpha Shareholders and to the Liquidators (in respect of Excluded Artemis Alpha Shareholders), in each case pursuant to the Scheme

LEI	legal entity identifier
Liquidation Pool	the pool of cash and other assets of Artemis Alpha to be retained by the Liquidators to meet all known and unknown or unascertained liabilities of Artemis Alpha and other contingencies (including the Liquidators' Retention together with any accrued but unpaid dividends or interest thereon), as further described in paragraph 2.2 of Part 4 (<i>Details of the Scheme and the Issue</i>) of this Prospectus
Liquidators	the liquidators of Artemis Alpha being, initially, the persons appointed jointly and severally upon the resolution to be proposed at the Second Artemis Alpha General Meeting becoming effective
Liquidators' Retention	the amount to be retained by the Liquidators to meet any unascertained, unknown or contingent liabilities of Artemis Alpha (such amount not expected to exceed £100,000)
London Stock Exchange	London Stock Exchange plc, a public limited company incorporated in England and Wales with registered number 02075721, the registered office of which is at 10 Paternoster Square, London, EC4M 7LS
Main Market	the main market for listed securities operated by the London Stock Exchange
Management Agreement	the alternative investment fund management agreement entered into on 28 January 2016, as amended, restated or replaced from time to time, between the Company and the AIFM as summarised in paragraph 12.1 of Part 7 (<i>General Information</i>) of this Prospectus
Management Engagement Committee	the committee of this name established by the Board and having the duties described in paragraph 3.4 of Part 3 (<i>Directors, Management and Administration of the Company</i>) of this Prospectus
Maximum Cash Option Shares	the maximum number of Artemis Alpha Shares that can be elected (or be deemed to have been elected) for the Cash Option pursuant to the Scheme, being 25 per cent. of the total number of Artemis Alpha Shares in issue (excluding Artemis Alpha Shares held in treasury) as at the Calculation Date
MiFID II Product Governance Requirements	Has the meaning given in the section titled " <i>Information to Distributors</i> " in the section titled " <i>Important Information</i> " of this Prospectus
NAV or Net Asset Value	the gross assets of the Company or Artemis Alpha (as the context requires) less the relevant company's liabilities (including provisions for such liabilities) determined by the relevant board of directors in their absolute discretion in accordance (save unless otherwise indicated) with the accounting principles adopted by that company
NAV per Share or Net Asset Value per Share	the NAV of the Company divided by the number of Shares in issue (excluding any Shares held in treasury) at the relevant time

New Shares	the Shares to be issued to Eligible Artemis Alpha Shareholders and to the Liquidators (in respect of Excluded Artemis Alpha Shareholders), in each case pursuant to the Scheme
Nomination & Remuneration Committee	the committee of this name established by the Board and having the duties described in paragraph 3.3 of Part 3 (<i>Directors, Management and Administration of the Company</i>) of this Prospectus
Notice of General Meeting	the notice of General Meeting, as set out at the end of the Circular
Official List	the official list maintained by the FCA
Overseas Artemis Alpha Shareholder	An Artemis Alpha Shareholder (excluding any Eligible US Artemis Alpha Shareholder) who has a registered address outside of, or who is a resident in, or a citizen or national of, any jurisdiction outside the United Kingdom
Panel	The Panel on Takeovers and Mergers
personal data	has the meaning given in the subsection titled “Data protection” in the section titled “ <i>Important Information</i> ” of this Prospectus
Phoenix or the AIFM	Phoenix Asset Management Partners Limited, a private limited company incorporated in England and Wales with registered number 03514660, the registered office of which is at 64-66 Glenthams Road, Barnes, London SW13 9JJ
Phoenix Costs Contribution	the contribution to be made by Phoenix to the costs of the Scheme, as described in paragraph 4.1 of Part 3 (<i>Directors, Management and Administration of the Company</i>) of this Prospectus
Portfolio	the portfolio of investments in which the funds of the Company are invested from time to time
Proposals	The proposals for the Company’s participation in the Scheme (including the Issue), as set out in further detail in this Prospectus and the Circular
Prospectus	this document
Prospectus Regulation Rules	the UK prospectus rules and regulations made by the FCA under Part VI of FSMA
QIB	a “qualified institutional buyer” within the meaning of Rule 144A under the US Securities Act
Qualified Purchaser	a “qualified purchaser” as defined in Section 2(a)(51) of the US Investment Company Act
Receiving Agent or Registrar	Link Group, the trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568, the registered office of which is at Central Square, 29 Wellington Street, Leeds LS1 4DL

Receiving Agent Agreement	the agreement relating to the provision of receiving agency services dated 16 October 2024 between the Company and the Receiving Agent, as summarised in paragraph 12.5 of Part 7 (<i>General Information</i>) of this Prospectus
Record Date	the record date for determining entitlements of Artemis Alpha Shareholders pursuant to the Scheme, being 6.00 p.m. on 22 November 2024 (or such other date as determined at the sole discretion of the Artemis Alpha Directors)
Register	the register of members of the Company
Registrar Agreement	the agreement relating to the provision of registry and associated services dated 6 February 2023 between the Company and the Registrar, as summarised in paragraph 12.4 of Part 7 (<i>General Information</i>) of this Prospectus
Regulation S	Regulation S under the US Securities Act
Relevant System	a computer-based system which enables title to units of a security to be evidenced and transferred without written instruments pursuant to the Uncertificated Securities Regulations
Relevant Periods	each of the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026
Resolution	the ordinary resolution in relation to the approval of the Issue that will be proposed at the General Meeting
RIS or Regulatory Information Service	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
Rollover Option	the option under the Scheme whereby Eligible Artemis Alpha Shareholders are deemed to elect to receive such number of New Shares as have a value (at the Aurora FAV per Share) equal to the proportion of the Rollover Pool attributable to the number of Artemis Alpha Shares so elected
Rollover Percentage	the percentage of Artemis Alpha Shareholders who are deemed to elect for the Rollover Option under the Scheme
Rollover Pool	the pool of cash, undertaking and other assets to be established under the Scheme and to be transferred from Artemis Alpha to the Company pursuant to the Transfer Agreement
Sanctions Authority	each of: <ul style="list-style-type: none"> • the United States government; • the United Nations; • the United Kingdom; • the European Union (or any of its member states); • any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or

- the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury

Sanctions Restricted Person

save as otherwise determined by the Artemis Alpha Directors under the Scheme, each person or entity:

- that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or
- that is, or is directly or indirectly owned or controlled by a person that is, described or designated in: (a) the current "Specially Designated Nationals and Blocked Persons" list (which as of the date of this Prospectus can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>); and/or (b) the current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date of this Prospectus can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-personsgroups-and-entities-subject-to-eu-financialsanctions?locale=en>); and/or (c) the current "Consolidated list of financial sanctions targets in the UK" (which as of the date of this Prospectus can be found at: <https://ofsistorage.blob.core.windows.net/publishlive/2022format/ConList.html>); or
- that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current "Sectoral Sanctions Identifications" list (which as of the date of this Prospectus can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the "**SSI List**"), (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "**EU Annexes**"), or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes

Scheme

the proposed scheme of reconstruction and members' voluntary winding up of Artemis Alpha under section 110 of the Insolvency Act, pursuant to which the Issue will be undertaken

SDRT

stamp duty reserve tax imposed under Part IV of the UK Finance Act 1986

SEC

the US Securities and Exchange Commission and any organisation which may replace it or take over the conduct of its affairs

Second Artemis Alpha General Meeting	the general meeting of Artemis Alpha in relation to the Scheme convened for 9.00 a.m. on 29 November 2024 or any adjournment of that meeting
Shareholder or Aurora Shareholder	a holder of Shares, including a holder of New Shares if the context so requires
Shares	ordinary shares with a nominal value of 25 pence each in the capital of the Company, including the New Shares following their issue if the context so requires
Sponsor or Dickson Minto Advisers	Dickson Minto Advisers LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnerships Act 2000 with registered number OC448025, the registered office of which is at Dashwood House, 69 Old Broad Street, London EC2M 1QS
Sponsor Engagement Letter	the engagement letter dated 8 October 2024, between the Company and the Sponsor, as summarised in paragraph 12.6 of Part 7 (<i>General Information</i>) of this Prospectus
Sterling, £ or GBP	pounds sterling, the lawful currency of the UK
Takeover Code	the UK City Code on Takeovers and Mergers
Target Market Assessment	has the meaning given in the subsection titled “Information to distributors” in the section titled “ <i>Important Information</i> ” of this Prospectus
Transfer Agreement	the agreement for the transfer of assets from Artemis Alpha to the Company pursuant to the Scheme to be dated on or around the Effective Date between the Company, Artemis Alpha and the Liquidators, with the terms of the agreed form of such agreement being summarised in paragraph 12.7 of Part 7 (<i>General Information</i>) of this Prospectus
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK AIFMD Laws	<ul style="list-style-type: none"> the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFM Directive into UK law before 31 January 2020 (as amended from time to time); and the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time
UK Listing Rules	the listing rules made by the FCA under Part VI of FSMA (as set out in the UK Listing Rules sourcebook of the FCA), as amended from time to time
UK MAR	the UK version of the EU Market Abuse Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time

UK MiFID II	the UK's implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("MiFID"), together with the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, which forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
UK PRIIPs Laws	the UK version of the EU PRIIPs Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
UK Prospectus Regulation	the UK version of the EU Prospectus Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time (including by the UK Prospectus Amendment Regulations 2019)
uncertificated or in uncertificated form	a share recorded on the register of members of a company as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of CREST
Uncertificated Securities Regulations	any provision of the Companies Act relating to uncertificated shares (including the holding, evidencing of title to, or transfer of uncertificated shares) and any legislation, rules or other arrangements made under or by virtue of such provision, including without limitation the Uncertificated Securities Regulations 2001, as amended from time to time
Unquoted Holdings	the unlisted securities that form part of the Artemis Alpha Portfolio
United States or US	the United State of America, its territories and possessions, any state of the United States, and the District of Columbia
US Artemis Alpha Shareholder	an Artemis Alpha Shareholder that is a US Person
US Exchange Act	the US Securities Exchange Act of 1934, as amended from time to time
US Investment Company Act	the US Investment Company Act of 1940, as amended from time to time
US Investor Certificate	the certificate that must be completed by US Artemis Alpha Shareholders who are both Qualified Purchasers and QIBs and returned to the Company in order to participate in the Scheme
US Person	a "U.S. person" as such term is defined in Rule 902 of Regulation S
US Securities Act	the US Securities Act of 1933, as amended from time to time

US Tax Code	the US Internal Revenue Code of 1986, as amended from time to time
US-UK IGA	the IGA between the UK and the US pursuant to which parts of FATCA have effectively been incorporated into UK law
VAT	value added tax