

Ventus VCT plc
Ventus 2 VCT plc

Joint Offer for Subscription
of up to, in aggregate,
20,000,000 D Shares of 25p each

REGISTRATION DOCUMENT
19 November 2013

If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial intermediary authorised under the Financial Services and Markets Act 2000.

This document constitutes a Registration Document issued by Ventus VCT plc and Ventus 2 VCT plc. Additional information relating to the Companies is contained in a Securities Note issued by the Companies. This Registration Document, the Securities Note and a Summary have been prepared in accordance with the Prospectus Rules made under FSMA, and have been approved by the Financial Conduct Authority in accordance with FSMA and constitute a Prospectus issued by the Companies dated 19 November 2013. The Prospectus has been filed with the FCA in accordance with the Prospectus Rules and you are advised to read the Prospectus in full.

The Companies and their Directors (whose names are set out on page 10) accept responsibility for the information contained in the Registration Document. To the best of the knowledge and belief of each Company and its Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

VENTUS VCT PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05205442)

VENTUS 2 VCT PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05667210)

Joint Offer for Subscription of up to, in aggregate, 20,000,000 D Shares of 25p each at a price of 100p per D Share payable in full in cash on application

Each Company's existing Shares are listed on the premium segment of the Official List of the UK Listing Authority and traded on the London Stock Exchange's main market for listed securities. Applications will be made to the UK Listing Authority for the D Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for such D Shares to be admitted to trading on its main market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the D Shares will commence within ten Business Days following allotment.

Copies of this Registration Document, the Securities Note and the Summary (and any supplementary prospectus published by the relevant Company or Companies) are available free of charge from the offices of the Companies' investment manager, Temporis Capital LLP, Berger House, 36-38 Berkeley Square, London, W1J 5AE, at <http://www.ventusvct.com> and from the National Storage Mechanism (<http://www.morningstar.co.uk/uk/NSM>).

None of the D Shares have been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, (the Securities Act) or under the securities laws of Canada, Australia, Japan or South Africa (each a Restricted Territory) and they may not be offered or sold directly or indirectly within the United States or any of the Restricted Territories or to, or for the account or benefit of, US Persons (as defined in Regulation S made under the Securities Act) or any national, citizen or resident of the United States or any of the Restricted Territories. The Offer is not being made, directly or indirectly, in or into the United States or any of the Restricted Territories or in any other jurisdiction where to do so would be unlawful. In particular, prospective shareholders who are resident in the United States or any Restricted Territory should note that this document is being sent for information purposes only. The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities law of any such jurisdiction. The Subscription Form is not being and must not be forwarded to or transmitted in or into the United States or a Restricted Territory.

Howard Kennedy Corporate Services LLP, which is authorised and regulated in the United Kingdom for the conduct of investment business by the Financial Conduct Authority, is acting exclusively as sponsor of the Companies in connection with the Offer and is not advising any other person or treating any other person as a customer or client in relation to the Offer, nor (subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder) will it be responsible to any such person for providing the protections afforded to their customers or clients or for providing advice in connection with the Offer.

The Application Form and the terms and conditions of application under this Offer are set out at the end of the Securities Note. Completed Application Forms must be posted or delivered by hand to the Receiving Agent, The City Partnership (UK) Limited, Thistle House, 21-23 Thistle Street, Edinburgh, EH2 1DF. The Offer opens on 19 November 2013 and will close on 30 May 2014 or such earlier or later date as determined by the Directors at their discretion (but no later than 18 November 2014).

Your attention is drawn to the risk factors on pages 3 to 5. An investment in the Companies is only suitable for investors who are capable of evaluating the risks and merits of such an investment and have sufficient resources to bear any loss that may arise.

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RISK FACTORS

The Companies and the Directors consider the following risks to be material to each Company. They are not set out in any order of priority. Additional risks and uncertainties currently unknown to the Companies and the Directors (such as changes in legal, regulatory or tax requirements), or which the Companies and the Directors currently believe are immaterial to each Company, may also have a materially adverse effect on the financial condition or prospects of the Companies. Material risks relating to the Shares are contained in the Securities Note.

- The past performance of investments made by the Companies is not a guide to the future performance of the Companies and no projection is implied or should be inferred.
- Having regard to the Companies' investment objectives and the tax reliefs available, Ventus and Ventus 2 should be considered as a long-term investment.
- Ventus and Ventus 2 will invest in small, unquoted companies. Such companies generally have a higher risk profile than larger "blue chip" companies and may not produce the hoped for returns, which could affect an investor's ability to realise his or her initial investment.
- Pursuant to the rules relating to Qualifying Investments for VCTs, neither Company will normally have a controlling interest in the investee companies in which it invests. As such, the Companies may have only limited influence over material decisions taken by their investee companies. The interests of either Company and any co-investors in investee companies may not always be aligned and this may lead to decisions being taken that are not in the best interests of the Companies. The Companies may also be restricted in their ability to dispose of investments at a value that might be achieved if a controlling or 100% stake were held.
- The investment policy of Ventus and Ventus 2 is limited to investment in companies developing renewable energy projects in the UK. The net proceeds of the Offer will be invested exclusively in companies developing wind and hydro projects in the UK. As such, the D Shares have significant concentration risk relating to the UK wind and hydro sectors.
- The portfolio companies in which Ventus and Ventus 2 will invest will be subject to the risks of renewable energy projects including, *inter alia*, lower than projected wind speeds (for wind projects), lower than projected rainfall (for hydro projects), lower than projected energy output, downtime of renewable energy generation equipment, higher than projected operating costs, volatility in annual revenues, adverse changes in government policy, unavailability of PPAs and risk of default under senior debt agreements.
- Annual variability in energy output may result in year-to-year volatility in revenues earned by companies in which Ventus and Ventus 2 invest. This volatility may translate into volatility in annual dividends paid from portfolio companies to Ventus and Ventus 2. Any volatility in dividends from portfolio companies may result in annual fluctuation in dividends paid by Ventus and Ventus 2.
- The energy generation equipment operated by investee companies could fail or be subject to substantial downtime which could materially impact on the Companies' financial performance.
- Investee companies typically enter into medium - to long-term operations and maintenance contracts with the turbine suppliers for their wind farms. The unavailability of such contracts on acceptable terms in the future or the failure of a turbine supplier to meet its obligations under an operations and maintenance contract could cause an increase in operating costs for investee companies. After the expiration of an operations and maintenance contract, an investee company may be liable for increased expenditures related to spare parts or even replacement of significant components such as, in the case of wind farms, gearboxes, generators or blades.
- The wind turbines operated by investee companies are typically in the 2 to 3 megawatt class with a minimum tip height of 100 metres. These turbines are typically projected to operate for 20 years in the financial models used to make investment decisions and value investments. However, turbines in the 2 to 3 megawatt class have only been in commercial operation for approximately 10 years, so there is no actual history of these turbines operating for their engineered design life. If these turbines have shorter life spans than projected, future revenues and valuations of investee companies will be impacted adversely.
- Hydroelectric projects built by investee companies are typically subject to greater construction risks than wind projects, as the build-out involves burying long sections of pipe, often in steep terrain. There is a risk of cost overruns if soil conditions are more difficult than expected and a risk of pipe failure even after completion of a hydroelectric project.

- Investee companies of Ventus and Ventus 2 are usually financed in part with senior debt. Although the use of senior debt offers the opportunity for enhanced equity returns, it adds to the risk of mezzanine debt and equity investments in the investee company. In the event of poor operating performance in any period due to equipment failure, lower than expected energy yields or other factors, the dividends and mezzanine interest payments received from an investee company by the Companies could be substantially below projection or be eliminated. There is also a risk that an investee company will be unable to service its senior debt, resulting in foreclosure and a complete loss on the investment by the Companies in such investee company.
- The UK Government has initiated a comprehensive reform of the UK electricity market known as the Electricity Market Reform. EMR represents a fundamental transformation of the UK electricity market, and there is considerable uncertainty in the electricity industry about how EMR will be implemented over the coming years. Under EMR, the Renewables Obligation is planned to be phased out and replaced by contracts for difference for all renewable energy generation capacity brought on line after 31 March 2017. The Manager regularly monitors EMR and takes regulatory developments into account in structuring investments of the Companies. However, there is a risk that the implementation of EMR could result in lower revenues for the renewable energy companies in which the Companies invest.
- A change of Government or change in Government policy could lead to new renewable energy policies resulting in a change or abandonment of Government based financial support mechanisms for renewable energy, which could adversely impact the market price for renewable energy. The Manager believes any such price risk may be mitigated by the fact that investee companies intend to sell their electricity output pursuant to long-term PPAs and the fact that the UK Government has historically adopted a policy of grandfathering the regulatory support for projects that are already consented and/or operational.
- A referendum on Scotland's independence will be held in September 2014. The UK renewable energy industry faces considerable uncertainty if the outcome of the referendum is in favour of independence. Although the Scottish Government is currently supportive of renewable energy and current UK renewable energy policies, the independence of Scotland could lead to new renewable energy policies or legislation and to a division of the UK electricity market. No specific details or proposals have been released on how independence might be implemented. There is considerable uncertainty about what independence of Scotland would mean in terms of support levels for renewable energy in light of Scottish budget constraints and the impact on UK electricity grid arrangements. Scottish independence could have an adverse impact on the renewable energy companies in which the Companies invest.
- There is no guarantee that sufficiently attractive long-term PPAs will be available to investee companies in the future when the Manager is seeking to make investments.
- The revenues from the sale of electricity by an investee company after the expiry of that company's initial PPA will be, at least in part, a function of wholesale energy prices, value of embedded benefits (savings related to avoided transmission costs for distributed generation) and balancing charges imposed on wind energy generators (because wind energy generation is intermittent) at the time of the expiry of the PPA. To the extent that future wholesale energy prices or associated benefits are lower than projected or future balancing charges are higher than projected, the returns earned on the Companies' investments could be lower than projected and asset values could be impacted negatively.
- The investment decisions of the Companies are based on discounted cash flow financial models that support the valuation of the underlying assets being developed by investee companies. Furthermore, on an ongoing basis, the investments in companies with operational renewable energy projects are valued using discounted cash flow financial models. These financial models rely on a variety of assumptions, including assumptions about long-term inflation. The revenues and expenditure of the underlying assets of the Companies' investee companies are frequently partly or wholly subject to indexation. There is a risk that errors may be made in the assumptions or methodology used in a financial model or that future inflation and/or deflation will vary from the assumptions used. To the extent errors in finance models are made or future inflation and/or deflation varies from the assumptions, the returns generated by any investment of the Companies may be different from those expected and NAV calculations may be overstated or understated.

- Tax rates or tax policies could change in the future and impact the level of tax paid by investee companies and/or by the Companies. Increases in tax rates or adverse changes in tax policies could cause future taxes to be higher than projected (either in investee companies or for the Companies themselves) and correspondingly reduced valuations of investments.
- An increase in long-term interest rates could cause an increase in the discount rates used by potential purchasers of renewable energy generation assets in determining the present value of cash flows from projects. Such an increase in discount rates could cause a decrease in the underlying value of the generation assets held by portfolio companies in which Ventus and Ventus 2 invest.
- The Companies face significant competition from other investors in the UK renewable energy sector. There is no guarantee that the Manager will be able to identify and execute an adequate number of Qualifying Investment opportunities in companies developing renewable energy projects.
- Increases in interest rates or changes in the terms offered by senior lenders in financing renewable energy projects could cause deterioration in the returns available from investment in renewable energy project companies. However, the interest rate on the majority of debt used to finance an investee company's project will typically be at a fixed rate of interest over the term of the debt.
- Constraints on the availability of bank debt finance and its pricing as a result of prevailing market conditions may affect the ability of developers of renewable energy projects to obtain suitably priced debt finance and, consequently, the ability of the Companies to identify further suitable investment opportunities. To mitigate these risks, the Manager will continue to maintain close relationships with the key renewable energy lending institutions in the UK market.
- A valuation is only an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an investment depends to a great extent on economic and other conditions beyond the control of the Companies, and valuations do not necessarily represent the price at which an investment can be sold or that the investments of the Companies are readily saleable.
- The Manager may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Companies. This risk is addressed in the Management Agreements, which have a provision giving the Companies first refusal to invest in any opportunity identified by the Manager which is a suitable investment opportunity for the Companies. There is also a potential conflict of interest in allocating investments between the Companies and between the share funds of the Companies. This risk is addressed by an investment allocation agreement between Ventus and Ventus 2 which sets out the criteria for allocating investments between the Companies and the share funds.
- The Companies are dependent on their Directors and certain members of Temporis' investment management team. The departure from the Companies or Temporis of any of these persons could have a material adverse effect on the business of the Companies. Whilst Temporis has entered into agreements to retain the services of those members, the retention of their services cannot be guaranteed.
- The Alternative Investment Fund Managers Directive, 2011/61/EU, became effective across the European Union on 22 July 2013. The AIFMD regulates managers of alternative investment funds, such as the Companies, which are marketed or managed in the EU. By 22 July 2014 the Boards must have either appointed an external authorised alternative investment fund manager or registered the Companies with the FCA as such in their own right. Although it is too early to be definitive as to the impact of the AIFMD, it is possible that the AIFMD will result in burdens being placed on the Manager and the Companies which may create additional compliance costs for the Companies.

FORWARD-LOOKING STATEMENTS

Potential Investors should not place undue reliance on forward-looking statements. This Registration Document includes statements that are (or may be deemed to be) “forward-looking statements”, which can be identified by the use of forward-looking terminology including terms such as “believes”, “continues”, “expects”, “intends”, “may”, “will”, “would”, “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this Registration Document, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. These statements will be updated as and when required by the Prospectus Rules, the Listing Rules and the DTRs, as appropriate.

DEFINITIONS

Act	the Companies Act 2006 (as amended from time to time)
Admission	the admission of the D Shares issued, and to be issued, pursuant to the Offer to the Official List and to trading on the London Stock Exchange becoming effective
AIFMD	the Alternative Investment Fund Managers Directive, 2011/61/EU
AIM	the AIM Market operated by the London Stock Exchange
Application Form	the form of application for D Shares under the Offer set out at the end of this document
Articles	the articles of association of each Company (as amended from time to time)
Business Day	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
Companies	Ventus and Ventus 2, and Company means either one of them as the context requires
CREST	the relevant system (as defined in the Regulations) operated by Euroclear
C Shares	Ventus C Shares of 25p each or Ventus 2 C Shares of 25p each, as applicable
C Shareholder	a holder of Ventus C Shares or Ventus 2 C Shares, as applicable
D Shares	Ventus D Shares of 25p each or Ventus 2 D Shares of 25p each, as applicable
D Shareholder	a holder of Ventus D Shares or Ventus 2 D Shares, as applicable
Directors or the Board	the directors of each Company
EMR	Electricity Market Reform
Euroclear	Euroclear UK & Ireland Limited
Execution-only Transaction	transaction executed by an FCA authorised firm upon the specific instructions of a client where the firm does not give advice or make a personal recommendation
FCA	the Financial Conduct Authority
FSMA	Financial Services and Markets Act 2000
General Meetings	the general meetings of the Companies convened for 18 December 2013 (or any adjournment(s) thereof) (and each a General Meeting)
HMRC	HM Revenue & Customs
Howard Kennedy	Howard Kennedy Corporate Services LLP
ITA	Income Tax Act 2007, as amended
Listing Rules	the rules relating to admission to the Official List
London Stock Exchange	London Stock Exchange plc
Management Agreements	the agreement dated 26 August 2011 between Ventus and the Manager governing the investment management of Ventus (effective 12 September 2011) and the agreement dated 26 August 2011 between Ventus 2 and the Manager governing the investment management of

Net Asset Value or NAV	Ventus 2 (effective 12 September 2011) the value of each Company's assets, less its liabilities (divided by the appropriate number of Shares in issue when referred to on a per-Share basis)
Notice	notice of the general meetings of the Companies convened for 18 December 2013
Offer	the joint offer for subscription to raise a maximum amount of £20,000,000 (before expenses) by the issue of up to 20,000,000 D Shares at 100p each as described in the Securities Note
Offer Agreement	the offer for subscription agreement referred to in paragraph 9 of Part VI of the Registration Document
Offer Price	for each Company, 100p per D Share
Official List	the Official List of the UK Listing Authority
Ordinary Shareholder	a holder of Ventus Ordinary Shares or Ventus 2 Ordinary Shares, as applicable
Ordinary Shares	Ventus Ordinary Shares of 25p each or Ventus 2 Ordinary Shares of 25p each, as applicable
Prospectus	the Securities Note, the Registration Document and the Summary, each dated 19 November 2013
Prospectus Rules	the prospectus rules made in accordance with the EU Prospectus Directive 2003/71/EC
Qualifying Investment or Qualifying Holding	an investment made by a VCT in a trading company which comprises a qualifying holding under Chapter 4 of Part 6 ITA
Receiving Agents	The City Partnership (UK) Limited
Registrars	Capita Asset Services
Registration Document	this document, issued by the Companies dated 19 November 2013
Regulations	the Uncertificated Securities Regulations 2001 (S.I. 2001/3755)
Renewables Obligation	the obligation of licensed electricity suppliers to supply a specified and growing proportion of their electricity sales from renewable sources, as set out in The Renewables Obligation Order 2002 (S.I. 914/2002) in respect of England and Wales and The Renewables Obligation (Scotland) Order 2002 (Scottish S.I. 163/2002) in respect of Scotland (both as amended)
Resolutions	the resolutions to be proposed at the General Meetings
Restricted Territory	the United States, Canada, Australia, Japan and South Africa
Return	growth in Net Asset Value plus payment of dividends for the purpose of computing the performance-related incentive fee as set out on page 18
Securities Note	the securities note, issued by the Companies dated 19 November 2013 in connection with the Offer
Shares	Ordinary Shares, C Shares or D Shares, as applicable
Shareholder	an Ordinary Shareholder, a C Shareholder or a D Shareholder, as applicable

Sponsor or **Howard Kennedy**

Howard Kennedy Corporate Services LLP, which is authorised and regulated by the FCA and is a member of the London Stock Exchange

Summary

the summary issued by the Companies dated 19 November 2013 in connection with the Offer

Temporis or the **Manager**

Temporis Capital LLP, which is authorised and regulated by the FCA

Total Return

Net Asset Value plus cumulative dividends paid

UK Listing Authority or **UKLA**

The Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

VCT

venture capital trust as defined by section 259 ITA

Ventus

Ventus VCT plc

Ventus 2

Ventus 2 VCT plc

DIRECTORS, MANAGER AND ADVISERS

Directors of Ventus

David Charles Pinckney (Chairman)
Richard David Abbott
David James Williams

all of Berger House
36-38 Berkeley Square
London W1J 5AE

Directors of Ventus 2

Alan Geoffrey Moore OBE (Chairman)
Paul Scott Thomas
Colin Laing Wood

all of Berger House
36-38 Berkeley Square
London W1J 5AE

Investment Manager

Temporis Capital LLP
Berger House
36-38 Berkeley Square
London W1J 5AE

Registrars

Capita Asset Services
(PXS)
The Registry
34 Beckenham Road
Beckenham, Kent BR3 4TU

Sponsor to the Offer

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

Receiving Agents and Secretary

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh
EH2 1DF

Solicitors

HowardKennedyFsi LLP
19 Cavendish Square
London
W1A 2AW

Principal Bankers

HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

Auditors

BDO LLP
55 Baker Street
London
W1U 7EU

Broker

Panmure Gordon & Co
One New Change
London
EC4M 9AF

VCT Taxation Advisers

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Marketing Adviser in Relation to the Offer

RAM Capital Partners LLP
10 Furnival Street
London EC4A 1HY

PART I – THE DIRECTORS AND CORPORATE GOVERNANCE

Corporate Governance

The Boards are each comprised of three Directors. All three directors of Ventus are independent of the Manager, and two of the three directors of Ventus 2 are independent of the Manager. The Directors operate in a non-executive capacity and are responsible for overseeing the investment strategy of the Companies and the managing of their investments. The Boards have wide experience of investment in both smaller growing companies and larger quoted companies.

Each Board is accountable to shareholders for the governance of each Company's affairs and is committed to maintaining the highest standards of corporate governance. Accordingly, each Board has adopted the AIC Code of Corporate Governance and reports against the principles and recommendations of this Code and the relevant provisions of the UK Corporate Governance Code (the "Codes"). Considering the principles detailed in the Codes the Boards believe that, insofar as they are relevant to the size and structure of each Company's business, each Company as at the date of this document complies or explains non-compliance with the provisions of the Codes throughout the financial year ended 28 February 2013 (as detailed on pages 22 to 25 of Ventus' Annual Report and Accounts for the year ended 28 February 2013 and pages 22 to 24 of Ventus 2's Annual Report and Accounts for the year ended 28 February 2013, which can both be downloaded at <http://www.ventusvct.com/financial-reports.aspx.html>).

Audit Committees

The Audit Committee of Ventus comprises David Pinckney (Chairman), Richard Abbott and David Williams. The Audit Committee of Ventus 2 comprises Colin Wood (Chairman), Alan Moore and Paul Thomas. Each Committee meets at least twice a year to review the half-yearly report and annual financial statements before submission to each Board. The roles and responsibilities of the Audit Committees include reviewing each Company's internal controls and risk management systems, and monitoring auditor independence. The Audit Committees have primary responsibility for making recommendations on the appointment, reappointment and removal of the external Auditor of each Company.

The Audit Committees review the nature and extent of non-audit services provided by each Company's Auditor and ensure that the Auditor's independence and objectivity is safeguarded. The Auditor provides risk management advice and corporation tax services to the Companies. The Boards are satisfied that the fees charged and work undertaken do not affect the Auditor's objectivity.

Nomination and Remuneration Committees

To date no Nomination or Remuneration Committees have been established. The establishment of a Nomination Committee is not anticipated as there are no current proposals to appoint any new Directors and recommendations for the re-election of Directors are considered by each Board. Matters relating to remuneration of Directors are considered by each Board and any Director is excluded from meetings whose purpose is the setting of his own remuneration.

The Directors

The directors of Ventus are:

David Pinckney - Chairman

David Pinckney was, from 1998 until December 2003, first chief operating officer for the Far East and then Vice Chairman of AXA Investment Managers SA, the investment management arm of the AXA Group with over US\$500 billion under management. He was a member of the Executive and Audit Committees. From 1987 to 1997, he was Group Finance Director and Joint Managing Director of The Thornton Group (a subsidiary of Dresdner Bank), which specialised in equity investment management, in particular in the Asia/Pacific region. From 1984 to 1986, he was Managing Director of Wrightson Wood Financial Services Limited, a company specialising in international corporate finance and venture capital. From 1963 to 1983, he was with Peat, Marwick Mitchell (now KPMG), where, in his last six years, he was Senior Audit Partner for France and French speaking Africa. He was Chairman of Park Row Group PLC from 2002 to 2003, when the Group was successfully sold. He was a director of Albion Development VCT PLC and chairman of the audit committee until June 2013. He was Chairman of DP Property Europe Limited (formerly Rutley European Property Limited) until July 2010 and was Chairman of Syndicate Asset Management PLC until March 2010. He is a Chartered Accountant and an "Expert Comptable" (a French Accountant). He has been a member of the board of directors of Ventus since October 2004.

David Williams

David Williams is a graduate Chartered Electrical Engineer who also holds qualifications in Management, Accountancy and Finance. He has been involved in renewable energy for 20 years. Following 19 years with utility company SWALEC, he started Energy Power Resources Limited (EPRL) in 1996 and shortly afterwards undertook a £25 million private placement, the UK's largest private placement in renewable energy, which enabled the company to generate over 100MW of base load capacity. David Williams was Chief Executive of EPRL until February 2002. He co-founded Eco2 in November 2002 and led negotiations on a £100 million funding deal with Good Energies Investments Limited and Bank of Tokyo Mitsubishi UFJ to build a wind farm in Scotland, Wales' first commercial scale biomass project and a number of other wind farm projects. He now leads an ambitious business plan to develop over £1 billion of biomass projects throughout Europe. David Williams was a member of the British government's Renewables Advisory Board and was previously an Independent Grant Assessor for the DTI. He has also been a member of the DEFRA Biomass Implementation Advisory Group and is a member of the Welsh Government's Energy and Environment Panel. He has been a member of the board of directors of Ventus since July 2010.

Richard Abbott

Richard Abbott has had a successful career in investment banking, having held senior positions at Morgan Grenfell, Deutsche Bank and ABN-AMRO. He left investment banking 10 years ago since which time he has concentrated on building businesses in private equity real estate and in the financial sector, also holding various non-executive directorships. During 2012 he was appointed to the advisory board of Momentum, a large South African insurer and wealth manager. He has been a member of the board of directors of Ventus since September 2011.

The directors of Ventus 2 are:

Alan Moore OBE – Chairman

Alan Moore has more than 40 years' experience in the UK electricity industry, beginning his career with the Central Electricity Generating Board. From 1998 to 2004, he was the Managing Director of National Wind Power (now RWE Innogy), at the time one of the largest developers and owners of renewable power assets in the UK. Until 2010, for eight years he was Co-Chairman of the UK Government's Renewables Advisory Board. He is a past Chairman of the British Wind Energy Association (now called RenewableUK). He is also a non-executive director of Partnerships for Renewables Limited. He was appointed an Adjunct Professor at Imperial College, London, in 2012. In 2013 he was appointed non-executive director of the Offshore Renewable Energy Catapult. He has been a member of the board of directors of Ventus 2 since January 2006.

Paul Thomas

Paul Thomas is Managing Director of Private Investor Capital Limited, the London-based independent private equity firm that invests in transactions of up to £5 million in growing, unquoted UK businesses. He has over 25 years of private equity experience, including 19 years with ECI Partners LLP, the London based midmarket buy-out house, where he was Managing Director until retiring in 2003. During his time with ECI, the firm made over 100 equity investments in transactions ranging in size from £500,000 to £25 million, deploying capital of more than £200 million. Previously, he was with Price Waterhouse for 6 years, latterly in corporate finance. He is a physics graduate and a Chartered Accountant. He is Chairman of the Ventus funds' Investment Committee of the Investment Manager and has been a member of the board of directors of Ventus 2 since January 2006.

Colin Wood

Colin Wood spent 27 years as a civil servant in the Scottish Office before retiring from a senior position in the Scottish Executive in 2001. He is an economics graduate and from 1993 to 1998, he was Senior Economic Adviser and Head of the Economics and Statistics Unit at the Scottish Office Industry Department, where he was responsible for providing economic advice on a range of issues including energy markets and the environment. He was a Director of The Century Building Society in Edinburgh until it merged with the Scottish Building Society on 1 February 2013. He has been a member of the board of directors of Ventus 2 since January 2006.

Current and past directorships of Directors

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

Name	Position	Name of company/partnership	Position still held (Y/N)
David Pinckney	Director	DP European Property Limited	N
	Director	Albion Development VCT plc	N
	Director	Syndicate Asset Management plc	N
	Director	Ventus 2 VCT plc	N
	Director	Ventus 3 VCT plc	N (company dissolved)
	Director	The Access Fund General Partner Limited	N (company dissolved)
	Director	Access Fund (Nominee) Limited	N (company dissolved)
	Director	KleenAir Systems International plc	N
David Williams	Director	Eco2 Limited	Y
	Director	Tidal Energy Limited	Y
	Director	Eco2 Marine Energy Limited	Y
	Director	Fochriw Renewable Energy Limited	Y
	Director	Greenscares Renewable Energy Limited	Y
	Director	Glyncorwg Renewable Energy Limited	Y
	Director	Eco2 Lincs CHP Limited	Y
	Director	Eco2 Biomass Limited	Y
	Director	Eco2 North Lincs Limited	Y
	Director	Eco2 Central Limited	Y
	Director	Eco2 Espana Limited	Y
	Director	Eco2 Hatton Limited	Y
	Director	Hatton Windpower Limited	Y
	Director	Eco2 Aranda Limited	Y
	Director	Eco2 Medina Limited	Y
	Director	Eco2 Rioja Limited	Y
	Director	Eco2 Romania Limited	Y
	Director	Eco2 Eastern Limited	Y
	Director	Eco2 Renewables Limited	Y
	Director	Eco2 Southern Limited	Y
	Director	Eco2 Northern Limited	Y
	Director	Eco2 Western Limited	Y
	Director	Tidal Energy Developments North Wales Limited	Y
	Director	Tidal Energy Developments South Wales Limited	Y
	Non Executive Director	Barrington Energy Group Ltd	Y
	Director	Boganlea Renewable Energy Limited	Y
	Director	Renewable Energy Association	Y
	Director	Eco-5 Limited	N
	Director	Western Bio-Energy (Fuels) Limited	N
	Director	British Biogen Limited	N (company dissolved)

	Director	Lyme & Wood Power Limited	N
	Director	Berwick Farm Power Limited	N
	Director	Eco2 LFG Power Limited	N
	Director	Frampton Power Limited	N
	Director	Vigo Utopia Power Limited	N
	Director	Eco2 Cambrian Limited	N
	Director	Cambrian Renewable Energy Limited	N
	Director	Eco2 Lincs Limited	N
	Director	Lincolnshire Biomass Limited	N
	Director	Eco2 Hatton Limited	N
	Director	Redimo LFG Power Limited	N
Richard Abbott	Director	Access Fund (Nominee) Limited	N (company dissolved)
	Director	Carter Lane Limited	Y
	Director	City of London Financial Services Limited	Y
	Director	Hardy (Underwriting Agencies) Limited	N
	Director	Hardy Underwriting Group Plc	N
	Director	I-Mob Holdings Limited	N
	Director	I-Mob Plc	N
	Member	Inside Track 3 LLP	Y
	Member	Inside Track 2 LLP	Y
	Director	KF Corporate Finance Limited	N
	Director	Marechale Capital Plc	N
	Director	MEM Capital Limited	N
	Director	MEM Consumer Finance Limited	N
	Designated Member	Quercus Capital LLP	N (partnership dissolved)
	Director	Ropley Associates Limited	Y
	Designated Member	SHF Asset Management LLP	N
	Director	Professions Funding Limited	N
	Director	SHF London Limited	N (company dissolved)
	Director	SHF Energy Limited	N (company dissolved)
	Director	Acre Equity Investments Plc	Y
	Director	The Access Fund General Partner Limited	N (company dissolved)
	Member	RCP Carry LLP	N
	Director	Credit Asset Management Limited	Y
	Director	Oxygen Finance Limited	Y
Alan Moore	Director	Cowrie Limited	N (company dissolved)
	Director	Ventus VCT plc	N
	Director	Ventus 3 VCT plc	N (company dissolved)
	Director	Partnerships For Renewables Limited	Y
	Director	Renewable UK Association	N
	Director	Offshore Renewable Energy Catapult CLG	Y
Paul Thomas	Director	Pi Capital (Holdings) Ltd	Y
	Director	Private Investor Capital Limited	Y
	Director	Ventus VCT plc	N
	Director	Ventus 3 VCT plc	N (company dissolved)

	Director	Pi Capital Partners 1 Limited	Y
	Director	Pi Capital Partners 2 Limited	Y
	Director	Pi Capital Limited	Y
	Director	Seraphim Capital (GP) Limited	Y
	Director	Pi Capital Partners 3 Limited	Y
	Director	Newco PST Limited	Y (company dissolved)
	Member	ECI Partners LLP	N
	Designated member	Seraphim Capital (General Partner) Limited Liability Partnership	Y
Colin Wood	Director	Ventus 3 VCT plc	N (company dissolved)
	Director	The Century Building Society	N
	Director	Ventus VCT plc	N

PART II – THE MANAGER

Manager and investment team

The Manager of Ventus and Ventus 2 is Temporis Capital LLP. Temporis has been involved in asset management since its formation in 2005 and specialises in facilitating the provision of capital to the sustainable and clean tech sectors and, in particular, providing long-term liquidity to renewable energy projects. Temporis took over as investment manager of the Companies from Climate Change Capital Limited in September 2011.

The investment management team is as follows:

Paul Thomas

The background of Paul Thomas, Chairman of the Investment Committee for Ventus and Ventus 2, is described in Part I above in the “Directors” section.

David Watson

David Watson is the Chief Executive Officer of Temporis. He is a member of the Ventus funds’ Investment Committee. He is a member of the steering group for the UK Government’s Capital Markets Climate Initiative. He began his career with Investec working in the market risk team. In 2003 he moved to Dresdner Kleinwort Wasserstein where he worked in the asset-backed securities team, trading distressed securities. From August 2005 to January 2008, he helped run the asset-backed securities strategy for Peloton Partners LLP. He has a first class honours degree in Chemistry from University College Cork and a PhD in Physical Chemistry from Cambridge University.

Charles Conner

Charles Conner is a Partner of Temporis. He is a member of the Ventus funds’ Investment Committee and has overall responsibility for portfolio management and investor relations. He formed the first Ventus fund in 2004 and was the lead investment manager of the Ventus funds from 2004 until 2007. He served as a director of Ventus from July 2010 to August 2011, when he resigned to join Temporis. He has over 20 years of experience in corporate finance, property finance and private equity. He was also an entrepreneur for seven years, during which period he formed, managed and sold two companies in the IT and telecommunication sectors in Europe. He has substantial experience in the financing of various sectors of the energy industry, including exploration and development, pipelines, oilfield equipment, distributed generation and renewable energy. He has also originated and structured energy outsourcing transactions, with a particular emphasis on reduction of energy consumption and emissions. He holds a BS degree from Purdue University and an MBA from the Harvard Business School.

Ian Lawrence

Ian Lawrence is a Partner of Temporis. He has responsibility for originating, structuring and executing investment transactions of the Ventus funds and for portfolio management of the Ventus funds. He joined Climate Change Capital Limited in September 2009, transferring to Temporis in September 2011. He has 25 years banking and finance experience. He created and headed the renewable energy team for Alliance & Leicester where he and his team had responsibility for renewables project financing. His career in banking and finance has covered credit and risk, commercial lending, structured tax products, private finance initiative and project finance with debt advanced or agreed for transaction counterparties based throughout Europe and North America in the renewables, energy, gas, oil storage, ports, transportation and infrastructure markets.

Matt Ridley

Matt Ridley is a Partner of Temporis. He has responsibility for origination, structuring and executing investment transactions of the Ventus funds and for portfolio management of the Ventus funds. He joined Climate Change Capital Limited in February 2008, transferring to Temporis in September 2011. Before joining Climate Change Capital Limited he worked as a tax lawyer in the London office of the leading US firm Debevoise & Plimpton LLP and advised on the formation of private equity funds, management incentive schemes and investment structures. He holds a BSc. (Hons.) degree in Mathematics from the University of Exeter.

Derry Guy

Derry Guy is the Chief Operating Officer of Temporis. He is a member of the Ventus fund's Investment Committee. He was the founder of Riverview International Group Inc, a New Jersey based hedge fund-of-funds which he sold to Gartmore and its parent Nationwide Mutual Insurance of Columbus, Ohio in 2002. Prior to this he has a background in investment banking and structured finance having worked for Samuel Montagu, Babcock & Brown and been a partner at National Leasing & Finance (now Highbridge Properties). He began his career qualifying as a Chartered Accountant with Arthur Andersen. He has a BA in economics from the University of Wales and an MSc in Business Administration from the London Business School.

Ed Robinson

Ed Robinson heads the asset management and accounting functions for the Ventus funds. He joined Climate Change Capital Limited in June 2007, transferring to Temporis in September 2011. At Climate Change Capital Limited he had responsibility for the finance and administration of the Ventus funds as well as for Climate Change Capital Limited's property and private equity funds. He contributed to fund raising initiatives and supported the establishment and maintenance of fund structures. Previously, he was a private equity accountant for the fund of funds manager Pantheon Ventures and for the investment manager GMT Communications Partners. He has worked for the public relations firm, The Communications Group plc, and the publisher, Dorling Kindersley. He holds a BEng in Civil Engineering from the University of Liverpool and an MSc in Urban Renewal from Liverpool John Moores University. He is a qualified accountant.

Michelle Devine

Michelle Devine is an asset manager responsible for investee companies with assets under construction and investee companies with operating assets. She previously worked as an associate for Purple Capital Limited in Johannesburg, South Africa, and prior to that as an analyst for JP Morgan's corporate finance team in Johannesburg. During this time she has been exposed to numerous corporate transactions covering a wide spectrum of industries. She holds a BSc. (Hons.) degree in finance and accounting from the University of Cape Town.

Sebastian Watson

Sebastian Watson is an asset manager responsible for investee companies with assets under construction and investee companies with operating assets. He spent three and a half years at Deloitte in London, working within the Insurance & Investment Management audit practice, focusing on insurance. After qualifying as a chartered accountant in 2009 he joined Ernst & Young in the transaction advisory team, again focusing on insurance, specifically the Lloyd's market, working with both private equity and insurance companies performing financial due diligence, reporting accountant work and market analysis into potential acquisitions for clients. He has a BA in Music & Philosophy and a Masters in Contemporary Music Studies from Goldsmiths University.

Management remuneration and expenses

Management Agreements

Ventus and Ventus 2 are each party to separate Management Agreements with the Manager. Each Management Agreement may be terminated on 12 months' notice after 12 September 2014. Each Management Agreement is subject to earlier termination in the event of certain breaches or upon the insolvency of the relevant Company or the Manager. Under these agreements, the Manager also provides accounting and administrative services to the Companies. The Manager is entitled to an annual fee equal to 2.5% of NAV, paid quarterly in advance. The fee covers the provision by the Manager of investment management services as well as all accounting and administrative services, together with the additional annual trail commission payable to authorised financial intermediaries. The Manager will also be entitled to receive a performance-related incentive fee as outlined below.

Under each Management Agreement, the Manager has agreed, so far as it is able, to ensure that the Companies shall have the opportunity to participate in any investment opportunities identified by Temporis which are within the Companies' investment policy (see Part III).

The Manager retains the right to charge up-front arrangement and syndication fees to the companies in which Ventus and Ventus 2 invest. Such charges are in line with industry practice and will not exceed 3% of the cost of each investment plus VAT (if applicable). The costs of all transactions that do not proceed to completion will be borne by the Manager and not by the Companies. The Manager may also receive ongoing directors' fees and monitoring fees from the investee companies as appropriate and in line with market practice.

Pursuant to deeds of variation dated 19 November 2013, the Management Agreements will, subject to Shareholder approval at the General Meetings, be amended to (i) extend the date after which the Management Agreements may be terminated on 12 months' written notice from 12 September 2014 to 12 September 2016 and (ii) in consideration for the Manager's services under the Offer Agreement, to provide for the payment by each of the Companies to the Manager of a fixed arrangement fee of 3% of funds raised under the Offer, out of which the Manager will pay all of the direct and indirect costs and expenses arising out of the Offer, including trail commissions.

Annual Running Costs

The annual running costs of the Ventus and Ventus 2 D Share funds are estimated in aggregate to be 3.4% and 3.3% of the NAV of the Ventus D Shares and the Ventus 2 D Shares respectively, exclusive of incidental investment costs. These will include the management fees described above (excluding the performance fee), irrecoverable VAT, company secretarial fees, Directors' fees, audit, taxation advice, Sponsor's and registrar's fees and the costs of communicating with D Shareholders.

Total annual running costs are, in aggregate, capped at 3.6% of Net Asset Value of the Ordinary Shares, C Shares and D Shares (excluding the Manager's performance-related incentive fee and any irrecoverable VAT) with any excess being borne by the Manager.

Performance-Related Incentive Fee

The Manager is entitled to receive a performance-related incentive fee, subject to the achievement of certain defined targets. No incentive fee will be payable until a relevant share issue has provided a cumulative return to investors in the form of growth in Net Asset Value plus payment of dividends (the "Return") of 60 pence share (assuming an initial issue price of 100 pence per share). Thereafter, the incentive fee, which is payable in cash, is calculated as 20% of the amount by which the Return in any accounting period exceeds 7p per share. The incentive fee is exclusive of VAT.

In the event that the full payment of the incentive fee in any accounting period would cause the annual dividend payments made by a Company in that accounting period to fall below 6 pence per share for the share class in question, the incentive fee for that share class for that accounting period will be deferred as necessary so that the payment of the incentive fee does not cause the annual dividend payments made by that Company for that period to fall below 6 pence per share for that share class. Any balance unpaid will be carried forward and paid at the end of the following accounting period or periods. Interest will be added to any deferred payments calculated at the prevailing base lending rate of HSBC Bank plc. The incentive fee will be payable annually. The existing performance fee arrangements will apply to the D Shares.

Investment allocation agreement

Under an investment allocation agreement entered into between the Companies and the Manager, in situations in which a potential Qualifying Investment satisfies the investment criteria of more than one of the Companies' share classes, the gross investment made is allocated between the Companies' share classes in the ratio of the funds available for investment. This is subject, *inter alia*, to neither Company being in danger of not reaching, or falling below, the required 70% level for Qualifying Investments.

Any investment made in a company in which another fund managed by the Manager has invested or intends to invest will be approved by the Directors who are independent of the Manager unless the investment is made at the same time and on the same terms or in accordance with a specific pre-existing agreement between the Companies and the Manager.

PART III – INVESTMENT POLICY OF THE COMPANIES

Investment Policy

The Companies are focused on investing in companies developing renewable energy projects with installed capacities of up to 20 megawatts, although investments in companies developing larger projects may also be considered. Given the target investment size, investments will generally be in companies developing projects initiated by specialist small-scale developers and smaller projects which are not attractive to large development companies and utilities.

Asset Allocation

The Manager seeks to allocate each Company's investments in equity securities and loan stock of companies owning renewable energy projects, primarily wind energy and hydroelectric. Up to 10% of net proceeds raised from share offers may be allocated to companies developing early stage renewable energy projects prior to planning permissions being obtained.

The Companies have an allocation agreement in place with the Manager. The allocation agreement prescribes the allocation of investments between the Companies and their share funds in accordance with the ratio of available funds in each share fund, subject to adjustment in consideration of maintaining each Company's VCT status, concentration risk, expected timing of realisations and projected dividend profiles.

The Companies' policy is to maintain cash reserves of at least 5% of net proceeds raised from share offers for the purpose of meeting operating expenses and purchasing Shares in the market. Circumstances may arise which would require a Company to hold less than 5% of net proceeds in cash for a limited period of time.

In order to comply with VCT requirements, at least 70% by value of each Company's investments are required to be comprised of Qualifying Investments.

Each Company typically owns 25% to 50% of the equity share capital of each investee company and a portion of its investment in each investee company may be in the form of loan stock.

The Companies' uninvested funds are placed on deposit or invested in short-term fixed income securities until suitable investment opportunities are found.

Risk Diversification

The geographical focus of the Companies' portfolios is the UK and the majority of investments made to date are in the wind sector. Funds are invested with a range of small-scale independent developers so project risk is not concentrated on only a few developers. The portfolios contain projects at different stages of the asset lifecycle, ranging from pre-planning to construction and then into operation. Investments are made via subscriptions for new share capital, acquiring existing share capital or via loan stock instruments in order to secure a negotiated level of return from the project. The majority of investments are made in special purpose companies set up specifically to develop each project.

Gearing

The Companies do not intend to borrow funds for investment purposes. However the Companies are exposed to gearing through their investee companies which typically fund the construction costs of each project through senior debt which is non-recourse to the Companies. The Manager is involved in assisting investee companies in negotiating the terms of this finance to ensure competitive terms are achieved. The interest rate is typically fixed for the duration of the loan so that investee companies are not exposed to changes in market interest rates.

To the extent that borrowing should be required by either Company for any purpose, the Directors will restrict the borrowings of the Company. The aggregate principal amount at any time outstanding in respect of money borrowed by either Company will not, without the previous sanction of an ordinary resolution of the Company, exceed a sum equal to 10% of the adjusted share capital and reserves of the Company in accordance with its Articles.

Maximum Exposures

In order to gauge the maximum exposure of the Companies to various risks, the following can be used as a guide:

i) Investments in Qualifying Holdings

Under VCT regulations, at least 70% of each Company's funds should be invested in Qualifying Holdings. When there is an issue of new Shares, the 70% requirement does not apply to the new funds raised for any accounting periods which end earlier than three years from the date of allotment of the new Shares.

For the purposes of the 70% qualifying holdings requirement, disposals of Qualifying Investments for cash may be disregarded for a period of six months. Where a VCT breaches any requirement due to factors outside of its control, it may apply to HMRC for a determination that the breach will be disregarded for a period of 90 days while the breach is remedied.

ii) Concentration limits

Under VCT regulations, no more than 15% of either Company's total assets should be in a single investee company at the time the investment is made in that investee company.

iii) Investments in pre-planning projects

In accordance with the Companies' investment policy, a maximum of 10% of the net funds raised from share offers may be invested in companies developing pre-planning projects.

No material change will be made by either Company to its investment policy without the consent of its Shareholders.

PART IV – FINANCIAL INFORMATION ON THE COMPANIES

VENTUS

Full audited financial information for the accounting periods ended 28 February 2011, 29 February 2012 and 28 February 2013 are available free of charge at the registered address of Ventus or can be downloaded at www.ventusvct.com/financial-reports.aspx.html.

Unaudited half-yearly reports and accounts are also available at that web address.

The annual reports for the years ended 28 February 2011 and 29 February 2012 were audited by PKF (UK) LLP, chartered accountants, of Farringdon Place, 20 Farringdon Road, London, EC1M 3AP. The annual report for the year ended and 28 February 2013 was audited by BDO LLP, chartered accountants, of 55 Baker Street, London, W1U 7EU. Each report was unqualified and did not contain a statement under Sections 495 to 497 of the Act.

The annual reports for the years ended 28 February 2011, 29 February 2012 and 28 February 2013 referred to above were prepared in accordance with IFRS, the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies'.

BDO LLP, chartered accountants, of 55 Baker Street, London, W1U 7EU, are the current auditors of Ventus. The previous auditors of Ventus, PKF (UK) LLP, merged with BDO LLP on 2 April 2013.

The financial information contained in this Part IV has been extracted without material adjustment from the audited financial statements of Ventus for the periods ended 28 February 2011, 29 February 2012 and 28 February 2013 and from the unaudited half-yearly reports and accounts for the periods ending 31 August 2012 and 31 August 2013.

Historical Financial Information

The published annual report and accounts of Ventus for the three financial years ended 28 February 2011, 29 February 2012 and 28 February 2013 (audited) and the published half yearly report and accounts of Ventus for the periods ending 31 August 2012 and 31 August 2013 (unaudited) contain, on the pages identified below, descriptions of the Company's financial condition, investment activity and changes in their financial condition for each of those periods.

Description	28 February 2011 Annual Report	29 February 2012 Annual Report	28 February 2013 Annual Report	31 August 2012 Half-yearly Report	31 August 2013 Half-yearly Report
Balance Sheet	Page 29	Page 31	Page 32	Page 18	Page 18
Income Statement (or equivalent)	Page 27	Page 29	Page 30	Page 15	Page 15
Statement showing all changes in equity (or equivalent note)	Page 30	Page 32	Page 33	Page 19	Page 19
Cash Flow Statement	Page 32	Page 34	Page 35	Page 22	Page 22
Accounting Policies and Notes	Page 33	Page 35	Page 36	Page 23	Page 23
Auditors' Report	Page 26	Page 28	Page 29	Page 14	Page 14

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

Operating and Financial Review

The operating and financial review of Ventus for the years to 28 February 2011, 29 February 2012 and 28 February 2013 and for the half-yearly periods to 31 August 2012 and 31 August 2013 included the information set out below which is incorporated by reference as follows:

Description	28 February 2011 Annual Report	29 February 2012 Annual Report	28 February 2013 Annual Report	31 August 2012 Half-yearly Report	31 August 2013 Half-yearly Report
Performance Summary	Page 12	Page 14	Page 15	Page 2	Page 2
Results and Dividends	Page 12	Page 14	Page 15	Page 2	Page 2
Investment Policy	Page 10	Page 10	Page 12	Page 10	Page 10
Outlook	Page 11	Page 12	Page 13	Page 11	Page 11
Manager's Review	Page 3	Page 3	Page 3	Page 4	Page 6
Portfolio Summary	Page 3	Page 3	Page 3	Page 4	Page 6
Business Review	Page 3	Page 3	Page 3	Page 4	Page 6
Corporate Governance Statement	Page 19	Page 21	Page 22	N/A	N/A
Valuation Policy	Page 34	Page 36	Page 37	Page 10	Page 10

As at 31 August 2013, the date of the most recently published unaudited NAV, Ventus had unaudited Ordinary Share net assets of £19.80 million and unaudited C Share net assets of £12.07 million.

Other

The audited statutory accounts for the periods ended 28 February 2011, 29 February 2012 and 28 February 2013 and the unaudited half yearly reports and accounts for the periods ending 31 August 2012 and 31 August 2013 are incorporated by reference. The pages of these documents which are not incorporated by reference are not relevant to investors.

There has been no significant change in the financial or trading position of Ventus since 31 August 2013 (being the date on which unaudited financial information was last published).

VENTUS 2

Full audited financial information for the accounting periods ended 28 February 2011, 29 February 2012 and 28 February 2013 are available free of charge at the registered address of Ventus 2 or can be downloaded at www.ventusvct.com/financial-reports.aspx.html.

Unaudited half-yearly reports and accounts are also available at that web address.

The annual reports for the years ended 28 February 2011 and 29 February 2012 were audited by PKF (UK) LLP, chartered accountants, of Farringdon Place, 20 Farringdon Road, London, EC1M 3AP. The annual report for the year ended and 28 February 2013 was audited by BDO LLP, chartered accountants, of 55 Baker Street, London, W1U 7EU. Each report was unqualified and did not contain a statement under Sections 485 to 497 of the Act.

The annual reports for the years ended 28 February 2011, 29 February 2012 and 28 February 2013 referred to above were prepared in accordance with IFRS, the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies'.

BDO LLP, chartered accountants, of 55 Baker Street, London, W1U 7EU, are the current auditors of Ventus 2. The previous auditors of Ventus 2, PKF (UK) LLP, merged with BDO LLP on 2 April 2013.

The financial information contained in this Part IV has been extracted without material adjustment from the audited financial statements of Ventus 2 for the periods ended 28 February 2011, 29 February 2012 and 28 February 2013 and from the unaudited half-yearly reports and accounts for the periods ending 31 August 2012 and 31 August 2013.

Historical Financial Information

The published annual report and accounts of Ventus 2 for the three financial years ended 28 February 2011, 29 February 2012 and 28 February 2013 (audited) and the published half yearly report and accounts of Ventus 2 for the periods ending 31 August 2012 and 31 August 2013 (unaudited) contain, on the pages identified below, descriptions of the Company's financial condition, investment activity and changes in their financial condition for each of those periods.

Description	28 February 2011 Annual Report	29 February 2012 Annual Report	28 February 2013 Annual Report	31 August 2012 Half-yearly Report	31 August 2013 Half-yearly Report
Balance Sheet	Page 32	Page 34	Page 31	Page 20	Page 19
Income Statement (or equivalent)	Page 29	Page 31	Page 29	Page 17	Page 16
Statement showing all changes in equity (or equivalent note)	Page 34	Page 37	Page 32	Page 22	Page 20
Cash Flow Statement	Page 37	Page 40	Page 34	Page 28	Page 23
Accounting Policies and Notes	Page 38	Page 41	Page 35	Page 30	Page 24
Auditors' Report	Page 28	Page 30	Page 28	Page 16	Page 15

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

Operating and Financial Review

The operating and financial review of Ventus 2 for the years to 28 February 2011, 29 February 2012 and 28 February 2013 included the information set out below which is incorporated by reference as follows:

Description	28 February 2011 Annual Report	29 February 2012 Annual Report	28 February 2013 Annual Report	31 August 2012 Half-yearly Report	31 August 2013 Half-yearly Report
Performance Summary	Page 15	Page 15	Page 15	Page 2	Page 2
Results and Dividends	Page 15	Page 15	Page 15	Page 2	Page 2
Investment Policy	Page 13	Page 12	Page 12	Page 12	Page 11
Outlook	Page 14	Page 13	Page 13	Page 13	Page 12
Manager's Review	Page 4	Page 3	Page 3	Page 5	Page 6
Portfolio Summary	Page 4	Page 3	Page 3	Page 5	Page 6
Business Review	Page 4	Page 3	Page 3	Page 5	Page 6
Corporate Governance Statement	Page 22	Page 23	Page 22	N/A	N/A
Valuation Policy	Page 40	Page 42	Page 36	Page 12	Page 11

As at 31 August 2013, the date of the most recently published unaudited NAV, Ventus 2 had unaudited Ordinary Share net assets of £17.46 million and unaudited C Share net assets of £12.12 million.

Other

The audited statutory accounts for the periods ended 28 February 2011, 29 February 2012 and 28 February 2013 and the unaudited half yearly reports and accounts for the periods ending 31 August 2012 and 31 August 2013 are incorporated by reference. The pages of these documents which are not incorporated by reference are not relevant to investors.

There has been no significant change in the financial or trading position of Ventus 2 since 31 August 2013 (being the date on which unaudited financial information was last published).

PART V – PORTFOLIO INFORMATION

VENTUS

Ventus Ordinary Share Portfolio – Investments

All of the investments of the Ventus Ordinary Share fund as at the date of this document, with valuations and investment costs at 31 August 2013 (unaudited), are given below.

		Voting rights %	Shares £000	Investment value* (£ Sterling) as at 31 August 2013 (unlisted)		Shares £000	Investment cost* (£ Sterling) as at 31 August 2013 (unlisted)	
				Loans £000	Total £000		Loans £000	Total £000
<i>Operational wind</i>								
Fenpower Limited	Q	33.33%	2,850	1,605	4,455	308	1,653	1,961
A7 Greendykeside Limited	Q	50.00%	1,665	650	2,315	916	620	1,536
Achairn Energy Limited	Q	8.50%	513	285	798	203	260	463
A7 Lochhead Limited	Q	30.00%	1,191	189	1,380	820	180	1,000
Greenfield Wind Farm Limited	PQ	8.35%	743	709	1,452	334	668	1,002
<i>Wind under construction</i>								
Biggleswade Wind Farm Limited	Q	3.50%	86	264	350	86	264	350
Eye Wind Power Limited	Q	50.00%	1,597	203	1,800	1,597	203	1,800
Bernard Matthews Green Energy Weston Limited	Q	50.00%	538	-	538	500	-	500
Bernard Matthews Green Energy Pickenham Limited	Q	50.00%	536	-	536	500	-	500
<i>Operational companies in the wind sector</i>								
Broadview Energy Limited	Q	11.04%	2,365	-	2,365	750	-	750
Firefly Energy Limited	Q	50.00%	-	918	918	200	1,223	1,423
<i>Development and pre-planning</i>								
Redeven Energy Limited		50.00%	66	277	343	-	389	389
<i>Realised investments</i>								
Redimo LFG Limited	Q	50.00%	-	-	-	2,000	-	2,000
Spurlens Rig Wind Limited		0.00%	-	-	-	-	-	-
Olgrinmore Limited		0.00%	-	-	-	-	-	-
Total			12,150	5,100	17,250	8,214	5,460	13,674

There have been no investments or realisations since 31 August 2013

Q – Investment complies with VCT regulations on qualifying holdings.

PQ – Part of the investment complies with VCT regulations on qualifying holdings.

***** The difference between investment cost and investment value represents the gain or loss in the value of the investment.

There has been no material change to the value of Ventus Ordinary Share portfolio since 31 August 2013. All investee companies of the Ventus Ordinary Share fund are based in the United Kingdom.

Ventus Ordinary Share Portfolio – Description of Investments

Operational wind

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Fenpower Limited	10.0	May 2007	Cambridgeshire
A7 Greendykeside Limited	4.0	November 2007	Lanarkshire, Scotland
Achairn Energy Limited	6.0	May 2009	Caithness, Scotland
A7 Lochhead Limited	6.0	June 2009	Lanarkshire, Scotland
Greenfield Wind Farm Limited	12.3	March 2011	Lanarkshire, Scotland

Wind under construction

Biggleswade Wind Farm Limited

Biggleswade Wind Farm Limited is constructing a 20 megawatt wind farm in Langford, central Bedfordshire. The wind farm will operate ten Vestas V-90 turbines. The construction of the Biggleswade wind farm is currently on time and on budget and is scheduled to be commissioned in December 2013.

Eye Wind Power Limited

Eye Wind Power Limited is constructing a 6.8 megawatt wind farm on Eye Airfield near Eye, Suffolk. The wind farm will operate two REpower 3.4M turbines. The construction of the Eye Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in January 2014.

Bernard Matthews Green Energy Weston Limited

Bernard Matthews Green Energy Weston Limited, in partnership with Weston Airfield Investments Limited, is constructing a 4 megawatt wind farm at the Weston Airfield, 15 kilometres north-west of Norwich, Norfolk. The wind farm will operate two Vestas V-100 turbines. The construction of the Weston Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in February 2014.

Bernard Matthews Green Energy Pickenham Limited

Bernard Matthews Green Energy Pickenham Limited, in partnership with North Pickenham Energy Limited, is constructing a 4 megawatt wind farm at the North Pickenham Airfield, 35 kilometres west of Norwich, Norfolk. The wind farm will operate two Vestas V-100 turbines. The construction of the North Pickenham Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in February 2014.

Operational companies in the wind sector

Broadview Energy Limited

Broadview Energy Limited Broadview is an independent renewable energy company that develops, constructs and operates wind farms throughout the UK. In May 2012, Broadview completed the sale of two operating wind farms and one wind farm in construction (comprising 25.35 megawatts in total) for consideration of £17.4 million. In addition to the net cash resulting from the sale of these assets, Broadview has a development portfolio comprised of one project of three turbines (6 megawatts) under construction, four projects in the planning process (totalling 16 turbines and 32 to 48 megawatts) and several other projects at earlier stages of the development process.

Firefly Energy Limited

Firefly Energy Limited is the intermediary for five long-term power purchase agreements on which it earns a margin.

Development and pre-planning

Redeven Energy Limited

Through a development funding agreement entered into by Redeven Energy Limited, Ventus holds investment rights in a company intending to develop and operate a five-turbine wind farm in East Anglia. The development company holds a lease option over a site for which planning permission has been sought and received. Ventus is working with the development company to proceed with the building out of the project.

Ventus C Share Portfolio – Investments

All of the investments of the Ventus C Share fund as at the date of this document, with valuations and investment costs at 31 August 2013 (unaudited), as well as realisations since 31 August 2013 (unaudited), are given below.

		Voting rights %	Shares £000	Investment value* (£ Sterling) as at 31 August 2013 (unlisted)		Shares £000	Investment cost* (£ Sterling) as at 31 August 2013 (unlisted)	
				Loans £000	Total £000		Loans £000	Total £000
<i>Operational wind</i>								
Greenfield Wind Farm Limited	PQ	12.50%	1,113	1,061	2,174	500	1,000	1,500
White Mill Windfarm Limited	PQ	25.00%	2,334	403	2,737	1,000	381	1,381
AD Wind Farmers Limited	Q	50.00%	1,232	-	1,232	1,000	-	1,000
<i>Wind under construction</i>								
Biggleswade Wind Farm Limited	Q	21.50%	527	1,623	2,150	527	1,623	2,150
Eye Wind Power Limited	Q	0.00%	-	500	500	-	500	500
Weston Airfield Investments Limited	Q	50.00%	1,000	-	1,000	1,000	-	1,000
North Pickenham Energy Limited	Q	50.00%	1,000	-	1,000	1,000	-	1,000
<i>Development and pre-planning</i>								
Iceni Renewables Limited		50.00%	200	18	218	400	18	418
Blawearie Wind Limited		50.00%	27	-	27	27	-	27
Total			7,433	3,605	11,038	5,454	3,522	8,976

Investments / (realisations) since 31 August 2013

White Mill Wind Farm Limited	(63,500)	(63,500)
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Q – Investment complies with VCT regulations on qualifying holdings.

PQ – Part of the investment complies with VCT regulations on qualifying holdings.

***** The difference between investment cost and investment value represents the gain or loss in the value of the investment.

There has been no material change to the value of Ventus C Share portfolio since 31 August 2013. All investee companies of the Ventus C Share fund are based in the United Kingdom.

Ventus C Share Portfolio – Description of Investments

Operational wind

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Greenfield Wind Farm Limited	12.3	March 2011	Lanarkshire, Scotland
White Mill Windfarm Limited	14.35	August 2012	Cambridgeshire
AD Wind Farmers Limited	10.2	December 2012	Argyll and Bute, Scotland

Wind under construction

Biggleswade Wind Farm Limited

Biggleswade Wind Farm Limited is constructing a 20 megawatt wind farm in Langford, central Bedfordshire. The wind farm will operate ten Vestas V-90 turbines. The construction of the Biggleswade wind farm is currently on time and on budget and is scheduled to be commissioned in December 2013.

Eye Wind Power Limited

Eye Wind Power Limited is constructing a 6.8 megawatt wind farm on Eye Airfield near Eye, Suffolk. The wind farm will operate two REpower 3.4M turbines. The construction of the Eye Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in January 2014.

Weston Airfield Investments Limited

The Company's C share fund made a £1,000,000 investment in Weston Airfield Investments Limited in February 2012. Weston Airfield Investments Limited is in partnership with Bernard Matthews Green Energy Weston Limited (in which the Company's Ordinary Share fund holds an investment, as discussed above).

North Pickenham Energy Limited

The Company's C share fund made a £1,000,000 investment in North Pickenham Energy Limited in February 2012. North Pickenham Energy Limited is in partnership with Bernard Matthews Green Energy Pickenham Limited (in which the Company's Ordinary Share fund holds an investment, as discussed above).

Development and pre-planning

Iceni Renewables Limited

Iceni Renewables Limited is a company developing two wind energy projects in Scotland. The first project, Craigannet, is a six-turbine project which was submitted for planning in January 2012, appealed for non-determination in August 2012 and then turned down on appeal by the Scottish Government in November 2012. The second project, Merkins, was submitted for planning in January 2012 and turned down by the local council on 23 October 2013. The Company is in consultations with the development partner on the two projects regarding the potential for re-submission of the planning applications or appeal of the planning decisions.

Blawearie Wind Limited

Blawearie Wind Limited is developing a six-turbine wind project in the Scottish Borders. A planning application for the project is in the process of being prepared.

VENTUS 2

Ventus 2 Ordinary Share Portfolio – Investments

All of the investments of the Ventus Ordinary Share fund as at 19 November 2013, with valuations and investment costs at 31 August 2013 (unaudited), are given below.

		Voting rights %	Shares £000	Investment value* (£ Sterling) as at 31 August 2013 (unlisted)		Shares £000	Investment cost* (£ Sterling) as at 31 August 2013 (unlisted)	
				Loans £000	Total £000		Loans £000	Total £000
<i>Operational wind</i>								
Achairn Energy Limited	Q	40.40%	2,435	1,356	3,791	1,226	1,289	2,515
A7 Lochhead Limited	Q	20.00%	794	126	920	569	121	690
Greenfield Wind Farm Limited	PQ	16.65%	1,482	1,414	2,896	666	1,332	1,998
<i>Wind under construction</i>								
Biggleswade Wind Farm Limited	Q	3.50%	86	264	350	86	264	350
Eye Wind Power Limited	Q	50.00%	1,597	203	1,800	1,479	203	1,682
Bernard Matthews Green Energy Weston Limited	Q	50.00%	538	-	538	500	-	500
Bernard Matthews Green Energy Pickenham Limited	Q	50.00%	536	-	536	500	-	500
<i>Operational companies in the wind sector</i>								
Broadview Energy Limited	Q	2.22%	410	-	410	200	-	200
Firefly Energy Limited	Q	50.00%	-	102	102	200	136	336
<i>Operational landfill gas</i>								
Renewable Power Systems (Dargan Road) Limited	Q	50.00%	595	1,270	1,865	780	1,120	1,900
<i>Operational small hydro</i>								
Osspower Limited		50.00%	2,163	51	2,214	300	55	355
<i>Development and pre-planning</i>								
Redeven Energy Limited		50.00%	66	337	403	-	505	505
<i>Realised investments</i>								
Redimo LFG Limited	Q	50.00%	-	-	-	1,000	-	1,000
PBM Power Limited		25.00%	-	-	-	574	-	574
Sandsfield Heat & Power Limited	Q	44.90%	-	-	-	1,796	1,000	2,796
The Small Hydro Company Limited		22.50%	-	-	-	115	534	649
Spurlens Rig Wind Limited		0.00%	-	-	-	-	-	-
Olgrinmore Limited		0.00%	-	-	-	-	-	-
Total			10,702	5,123	15,825	9,991	6,559	16,550

There have been no investments or realisations since 31 August 2013

Q – Investment complies with VCT regulations on qualifying holdings.

PQ – Part of the investment complies with VCT regulations on qualifying holdings.

***** The difference between investment cost and investment value represents the gain or loss in the value of the investment.

There has been no material change to the value of Ventus 2 Ordinary Share portfolio since 31 August 2013. All investee companies of the Ventus 2 Ordinary Share fund are based in the United Kingdom.

Ventus 2 Ordinary Share Portfolio – Description of Investments

Operational wind

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Achairn Energy Limited	6.0	May 2009	Caithness, Scotland
A7 Lochhead Limited	6.0	June 2009	Lanarkshire, Scotland
Greenfield Wind Farm Limited	12.3	March 2011	Lanarkshire, Scotland

Wind under construction

Biggleswade Wind Farm Limited

Biggleswade Wind Farm Limited is constructing a 20 megawatt wind farm in Langford, central Bedfordshire. The wind farm will operate ten Vestas V-90 turbines. The construction of the Biggleswade wind farm is currently on time and on budget and is scheduled to be commissioned in December 2013.

Eye Wind Power Limited

Eye Wind Power Limited is constructing a 6.8 megawatt wind farm on Eye Airfield near Eye, Suffolk. The wind farm will operate two REpower 3.4M turbines. The construction of the Eye Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in January 2014.

Bernard Matthews Green Energy Weston Limited

Bernard Matthews Green Energy Weston Limited, in partnership with Weston Airfield Investments Limited, is constructing a 4 megawatt wind farm at the Weston Airfield, 15 kilometres north-west of Norwich, Norfolk. The wind farm will operate two Vestas V-100 turbines. The construction of the Weston Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in February 2014.

Bernard Matthews Green Energy Pickenham Limited

Bernard Matthews Green Energy Pickenham Limited, in partnership with North Pickenham Energy Limited, is constructing a 4 megawatt wind farm at the North Pickenham Airfield, 35 kilometres west of Norwich, Norfolk. The wind farm will operate two Vestas V-100 turbines. The construction of the North Pickenham Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in February 2014.

Operational companies in the wind sector

Broadview Energy Limited

Broadview Energy Limited Broadview is an independent renewable energy company that develops, constructs and operates wind farms throughout the UK. In May 2012, Broadview completed the sale of two operating wind farms and one wind farm in construction (comprising 25.35 megawatts in total) for consideration of £17.4 million. In addition to the net cash resulting from the sale of these assets, Broadview has a development portfolio comprised of one project of three turbines (6 megawatts) under construction, four projects in the planning process (totalling 16 turbines and 32 to 48 megawatts) and several other projects at earlier stages of the development process.

Firefly Energy Limited

Firefly Energy Limited is the intermediary for five long-term power purchase agreements on which it earns a margin.

Operational landfill gas

Renewable Power Systems (Dargan Road) Limited

Renewable Power Systems (Dargan Road) Limited operates a landfill gas electricity generation site in Northern Ireland. The site is managed by Renewable Power Systems Limited and has performed in line with expectations.

Operational small hydro

Osspower Limited

Osspower Limited owns and operates a 1.99 megawatt hydro project at Allt Fionn Ghlinne in Scotland which has been operational since June 2012. Osspower Limited has consent for a further three small hydro projects on the same estate as the Allt Fionn Ghlinne project. The Manager is working with the management of Osspower Limited to develop the appropriate strategy for financing the construction of these three projects.

Development and pre-planning

Redeven Energy Limited

Through a development funding agreement entered into by Redeven Energy Limited, Ventus holds investment rights in a company intending to develop and operate a five-turbine wind farm in East Anglia. The development company holds a lease option over a site for which planning permission has been sought and received. The Manager is working with the development company to proceed with the building out of the project.

Ventus 2 C Share Portfolio – Investments

All of the investments of the Ventus 2 C Share fund as at 19 November 2013, with valuations and investment costs at 31 August 2013 (unaudited), as well as realisations since 31 August 2013 (unaudited), are given below.

		Voting rights %	Shares £000	Loans £000	Investment value* (£ Sterling) as at 31 August 2013 (unlisted) Total £000	Shares £000	Loans £000	Investment cost* (£ Sterling) as at 31 August 2013 (unlisted) Total £000
<i>Operational wind</i>								
Greenfield Wind Farm Limited	PQ	12.50%	1,113	1,061	2,174	500	1,000	1,500
White Mill Windfarm Limited	PQ	25.00%	2,334	403	2,737	1,000	381	1,381
AD Wind Farmers Limited	Q	50.00%	1,232	-	1,232	1,000	-	1,000
<i>Wind under construction</i>								
Biggleswade Wind Farm Limited	Q	21.50%	527	1,623	2,150	527	1,623	2,150
Eye Wind Power Limited	Q	0.00%	-	500	500	-	500	500
Weston Airfield Investments Limited	Q	50.00%	1,000	-	1,000	1,000	-	1,000
North Pickenham Energy Limited	Q	50.00%	1,000	-	1,000	1,000	-	1,000
<i>Development and pre-planning</i>								
Iceni Renewables Limited		50.00%	200	18	218	400	18	418
Blawearie Wind Limited		50.00%	27	-	27	27	-	27
Total			7,433	3,605	11,038	5,454	3,522	8,976

Investments / (realisations) since 31 August 2013

White Mill Wind Farm Limited	(63,500)	(63,500)
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Q – Investment complies with VCT regulations on qualifying holdings.

PQ – Part of the investment complies with VCT regulations on qualifying holdings.

***** The difference between investment cost and investment value represents the gain or loss in the value of the investment.

There has been no material change to the value of Ventus 2 C Share portfolio since 31 August 2013. All investee companies of the Ventus 2 C Share fund are based in the United Kingdom.

Ventus 2 C Share Portfolio – Description of Investments

Operational wind

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Greenfield Wind Farm Limited	12.3	March 2011	Lanarkshire, Scotland
White Mill Windfarm Limited	14.35	August 2012	Cambridgeshire
AD Wind Farmers Limited	10.2	December 2012	Argyll and Bute, Scotland

Wind under construction

Biggleswade Wind Farm Limited

Biggleswade Wind Farm Limited is constructing a 20 megawatt wind farm in Langford, central Bedfordshire. The wind farm will operate ten Vestas V-90 turbines. The construction of the Biggleswade wind farm is currently on time and on budget and is scheduled to be commissioned in December 2013.

Eye Wind Power Limited

Eye Wind Power Limited is constructing a 6.8 megawatt wind farm on Eye Airfield near Eye, Suffolk. The wind farm will operate two REpower 3.4M turbines. The construction of the Eye Airfield wind farm is currently on time and on budget and is scheduled to be commissioned in January 2014.

Weston Airfield Investments Limited

The Company's C share fund made a £1,000,000 investment in Weston Airfield Investments Limited in February 2012. Weston Airfield Investments Limited is in partnership with Bernard Matthews Green Energy Weston Limited (in which the Company's Ordinary Share fund holds an investment, as discussed above).

North Pickenham Energy Limited

The Company's C Share fund made a £1,000,000 investment in North Pickenham Energy Limited in February 2012. North Pickenham Energy Limited is in partnership with Bernard Matthews Green Energy Pickenham Limited (in which the Company's Ordinary Share fund holds an investment, as discussed above).

Development and pre-planning

Iceni Renewables Limited

Iceni Renewables Limited is a company developing two wind energy projects in Scotland. The first project, Craigannet, is a six-turbine project which was submitted for planning in January 2012, appealed for non-determination in August 2012 and then turned down on appeal by the Scottish Government in November 2012. The second project, Merkins, was submitted for planning in January 2012 and turned down by the local council on 23 October 2013. The Company is in consultations with the development partner on the two projects regarding the potential for re-submission of the planning applications or appeal of the planning decisions.

Blawearie Wind Limited

Blawearie Wind Limited is developing a six-turbine wind project in the Scottish Borders. A planning application for the project is in the process of being prepared.

PART VI – GENERAL INFORMATION

1 The Companies

- 1.1 Ventus VCT plc is domiciled in England and was incorporated and registered in England and Wales on 13 August 2004 under the Companies Act 1985 with registered number 05205442 as a public company limited by shares.
- 1.2 Ventus 2 VCT plc is domiciled in England and was incorporated and registered in England and Wales on 5 January 2006 under the Companies Act 1985 with registered number 05667210 as a public company limited by shares.
- 1.3 On 18 October 2004, the Registrar of Companies issued Ventus with a certificate under section 117 of the Companies Act 1985 entitling it to commence business.
- 1.4 On 11 January 2006, the Registrar of Companies issued Ventus 2 with a certificate under section 117 of the Companies Act 1985 entitling it to commence business.

2 Registered Offices and Principal Legislation

- 2.1 The registered office and head office of both Companies is at Berger House, 36/38 Berkeley Square, London W1J 5AE. Their telephone number is (0) 20 7491 9033.
- 2.2 The principal legislation under which the Companies operate and which govern the Shares is the Act and the regulations made thereunder.

3 Share and loan capital

Ventus

- 3.1 By special resolution passed on 13 July 2010, the following resolution was passed
 - 3.1.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:
 - 3.1.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 2,456,080 Ordinary Shares and 1,698,233 C Shares;
 - 3.1.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.1.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
 - 3.1.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2011 and the date which is 18 months after the date on which this resolution is passed; and
 - 3.1.1.5 Ventus may make a contract to purchase shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.
- 3.2 By special resolution passed on 27 July 2011, the following resolution was passed:
 - 3.2.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:
 - 3.2.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 2,456,080 Ordinary Shares and 1,698,233 C Shares;
 - 3.2.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.2.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices

shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;

3.2.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2012 and the date which is 18 months after the date on which this resolution is passed; and

3.2.1.5 Ventus may make a contract to purchase shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.

3.3 The following resolutions were passed on 8 March 2012:

3.3.1 that the authorised share capital of the Company be increased by £2,500,000, by the creation of 10,000,000 ordinary shares (an increase of 25 per cent);

3.3.2 that, in substitution for existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £4,000,000 during the period commencing on the passing of this resolution and expiring on the fifth anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted after such expiry;

3.3.3 that, in addition to its existing authorities, the Company be authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 25p each in the Company in connection with a tender offer (details of which are set out in the circular to shareholders dated 3 February 2012) to all holders of ordinary shares to purchase up to 12,000,000 ordinary shares (representing approximately 73.2 per cent of the issued ordinary shares capital of the Company as at the date of this notice) at a price equal to the latest published net asset value per ordinary share immediately prior to purchase (adjusted for any dividends paid subsequent to such publication), divided by 1.055, rounded up the nearest tenth of a penny (which price shall, for the purposes of section 701(3)(b) of the Act, constitute both the maximum and minimum price that may be paid for the ordinary share purchased) provided that the authority conferred by this resolution shall expire on the first anniversary of the passing of this resolution save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority;

3.3.4 that, in substitution for existing authorities, the Directors be and are hereby empowered in accordance with section 570(1) of the Act during the period commencing on the passing of this resolution and expiring on the fifth anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the general authority conferred upon the Directors in resolution 2 above as if section 561 of the Act did not apply to any such allotment provided that this power shall expire on the fifth anniversary of the resolution but so that this authority shall allow the Company to make offers or agreements before the expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired; and

3.3.5 that, article 135.1 of the Company’s Articles of Association be amended to delete the words “2014” and substituting the words “2018” therefor.

3.4 By special resolution passed on 24 July 2012, the following resolution was passed:

3.4.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:

3.4.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 2,444,501 Ordinary Shares and 1,698,233 C Shares;

- 3.4.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.4.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
 - 3.4.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2014 and the date which is 18 months after the date on which this resolution is passed; and
- 3.5 By special resolution passed on 22 July 2013, the following resolution was passed:
- 3.5.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:
 - 3.5.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 2,444,501 Ordinary Shares and 1,698,233 C Shares;
 - 3.5.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.5.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
 - 3.5.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2014 and the date which is 18 months after the date on which this resolution is passed; and
 - 3.5.1.5 Ventus may make a contract to purchase shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.
- 3.6 The following resolutions will be proposed at a general meeting of the Company convened for 18 December 2013:
- 3.6.1. THAT, the authorised share capital of the Company be increased from £17,500,000 to £22,500,000 by the creation of 20,000,000 D ordinary shares of 25 pence each ("D Shares") having the rights and being subject to the restrictions set out in the amended articles of association of the Company to be adopted pursuant to resolution number 5.
 - 3.6.2. THAT, in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot and issue shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £5,000,000, provided that, the authority conferred by this resolution 2 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in a general meeting) but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry.
 - 3.6.3 THAT, the IMA Deed of Variation, details of which are set out on page 9 of the circular to the shareholders of the Company dated 19 November 2013 (the "Circular"), be approved.
 - 3.6.4 THAT, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to resolution 2, as if Section 561(1) of the Act did not apply to

such allotment, provided that the power provided by this resolution 4 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in general meeting)

- 3.6.5 THAT, the articles of association of the Company be amended (i) to reflect the increase in its share capital and (ii) to set out the rights and restrictions to be attached to the D Shares and (iii) to extend the date on which shareholders vote as to whether the Company should continue as a venture capital trust by two years, in each case as set out in the amended articles of association produced to the meeting and, for the purpose of identification, initialled by the Chairman.
- 3.6.6 THAT, subject to and in accordance with Article 10 of the Company's articles of association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of D Shares on such terms as the directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 727(1) and 729(1) of the Act, provided that:
- 3.6.6.1 the maximum number of D Shares hereby authorised to be purchased is an amount equal to 10 per cent. of the D Shares in issue immediately following the Offer;
- 3.6.6.2 the minimum price, exclusive of any expenses, which may be paid for a D Share is 25p;
- 3.6.6.3 the maximum price, exclusive of any expenses, which may be paid for each D Share is an amount equal to the higher of: (a) 105 per cent of the average of the middle market quotations for a D Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the D Share is purchased; and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and
- 3.6.6.4 the authority hereby conferred shall, unless previously revoked or varied, expire on the conclusion of the annual general meeting of the Company to be held in 2015 except in relation to the purchase of D Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.
- 3.6.7 THAT, subject to the approval of the High Court of Justice, the amount standing to the credit of the share premium account of the Company immediately following the closing of the Offer be cancelled.

Ventus 2

- 3.7 The following ordinary and special resolutions were passed on 8 March 2010:
- 3.7.1 that, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot Shares and to grant rights to subscribe for or to convert any security into Shares up to an aggregate nominal value of £3,686,059 in connection with the Scheme (as defined in the circular to Shareholders dated 8 February 2010, provided that the authority conferred by this resolution shall expire on the fifth anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting),
- 3.7.2 That the acquisition by the Company of the assets and liabilities of Ventus 3 VCT plc on the terms set out in the circular to shareholders dated 8 February 2010 be and hereby is approved
- 3.7.3 That the Directors be and are hereby empowered pursuant to section 570(1) of the Act to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the general authority conferred upon the Directors in resolution 1 above as if section 561(1) of the Act did not apply to any such allotment provided that this power shall expire on the fifth anniversary of the resolution unless previously renewed, varied or revoked by the Company in general meeting.
- 3.7.4 That the articles of association produced to the meeting, and for the purposes of identification initialled by the Chairman, be adopted as the articles of association of the Company.
- 3.8 The following special resolution was passed on 13 July 2010:

3.8.1 that the Company be authorised to make market purchases (as defined in Section 693(4) of the Act) of Ordinary Shares and C Shares provided that;

- (a) the maximum number of Shares hereby authorised to be purchased is an amount equal to 3,678,180 Ordinary Shares and 1,698,233 C Shares, representing 14.99% of the current issued share capital of each class;
- (b) the minimum price which may be paid per Share is 25p per Share; and
- (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher of (a) 105% of the average of the middle market prices shown in the quotations for a Share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Share is purchased and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
- (d) the authority conferred by this resolution shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company to be held in 2011 and the date which is 18 months after the date on which the resolution is passed and
- (e) the Company may make a contract or contracts to purchase its own shares under this authority before the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of its own shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

3.9 The following special resolution was passed on 27 July 2011:

3.9.1 that the Company be authorised to make market purchases (as defined in Section 693(4) of the Act) of Ordinary Shares and C Shares provided that;

- (a) the maximum number of Shares hereby authorised to be purchased is an amount equal to 3,678,180 Ordinary Shares and 1,698,233 C Shares, representing 14.99% of the current issued share capital of each class;
- (b) the minimum price which may be paid per Share is 25p per Share; and
- (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher of (a) 105% of the average of the middle market prices shown in the quotations for a Share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Share is purchased and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
- (d) the authority conferred by this resolution shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company to be held in 2012 and the date which is 18 months after the date on which the resolution is passed; and
- (e) the Company may make a contract or contracts to purchase its own shares under this authority before the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of its own shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

3.10 By special resolution passed on 22 December 2011, Shareholders resolved that the amounts standing to the credit of the share premium accounts of the Ordinary Shares and the C Shares, at the date the order is made confirming such cancellation by the court, be cancelled.

3.11 The following resolutions were passed on 8 March 2012:

- 3.11.1 that, the authorised share capital of the Company be increased by £5,000,000, by the creation of 20,000,000 ordinary shares (an increase of 66.7 per cent);
- 3.11.2 that, in substitution for existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an

aggregate nominal value of £5,000,000 during the period commencing on the passing of this resolution and expiring on the fifth anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted after such expiry;

- 3.11.3 that, in addition to its existing authorities, the Company be authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 25p each in the Company in connection with a tender offer (details of which are set out in the circular to shareholders dated 3 February 2012) to all holders of ordinary shares to purchase up to 14,000,000 ordinary shares (representing approximately 57.1 per cent of the issued ordinary shares capital of the Company as at the date of this notice) at a price equal to the latest published net asset value per ordinary share immediately prior to purchase (adjusted for any dividends paid subsequent to such publication), divided by 1.055, rounded up the nearest tenth of a penny (which price shall, for the purposes of section 701(3)(b) of the Act, constitute both the maximum and minimum price that may be paid for the ordinary share purchased) provided that the authority conferred by this resolution shall expire on the first anniversary of the passing of this resolution save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority;
 - 3.11.4 that, in substitution for existing authorities, the Directors be and are hereby empowered in accordance with section 570(1) of the Act during the period commencing on the passing of this resolution and expiring on the fifth anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the general authority conferred upon the Directors in resolution 2 above as if section 561 of the Act did not apply to any such allotment provided that this power shall expire on the fifth anniversary of the resolution but so that this authority shall allow the Company to make offers or agreements before the expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired; and
 - 3.11.5 that article 135.1 of the Company's Articles of Association be amended to delete the words "2014" and substituting the words "2018" therefor.
- 3.12 By special resolution passed on 24 July 2012, the following resolution was passed:
- 3.12.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:
 - 3.12.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 3,660,956 Ordinary Shares and 1,698,233 C Shares;
 - 3.12.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.12.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
 - 3.12.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2014 and the date which is 18 months after the date on which this resolution is passed; and
- 3.13 By special resolution passed on 22 July 2013, the following resolution was passed:
- 3.13.1 that Ventus be and is hereby generally and unconditionally authorised to make market purchases within the meaning of section 693(4) of the Act of Ordinary Shares and C Shares provided that:

- 3.13.1.1 the maximum aggregate number of shares hereby authorised to be purchased is 3,660,956 Ordinary Shares and 1,698,233 C Shares;
 - 3.13.1.2 the minimum price which may be paid for a Share is 25 pence;
 - 3.13.1.3 the maximum price, exclusive of any expenses, which may be paid for a share is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for a share in The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that share is purchased, and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003;
 - 3.13.1.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the AGM of the Company held in 2014 and the date which is 18 months after the date on which this resolution is passed; and
 - 3.13.1.5 Ventus may make a contract to purchase shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.
- 3.14 The following resolutions will be proposed at a general meeting convened for 18 December 2013:
- 3.14.1 THAT, the authorised share capital of the Company be increased from £17,500,000 to £22,500,000 by the creation of 5,000,000 D ordinary shares of 25 pence each ("D Shares") having the rights and being subject to the restrictions set out in the amended articles of association of the Company to be adopted pursuant to resolution number 5.
 - 3.14.2 THAT, in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot and issue shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £5,000,000, provided that, the authority conferred by this resolution 2 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in a general meeting) but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry.
 - 3.14.3 THAT, the IMA Deed of Variation, details of which are set out on page 9 of the circular to the shareholders of the Company dated 19 November 2013 (the "Circular"), be approved.
 - 3.14.4 THAT, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to resolution 2, as if Section 561(1) of the Act did not apply to such allotment, provided that the power provided by this resolution 4 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in general meeting)
 - 3.14.5 THAT, the articles of association of the Company be amended (i) to reflect the increase in its share capital and (ii) to set out the rights and restrictions to be attached to the D Shares and (iii) to extend the date on which shareholders vote as to whether the Company should continue as a venture capital trust by two years, in each case as set out in the amended articles of association produced to the meeting and, for the purpose of identification, initialled by the Chairman.
 - 3.14.6 THAT, subject to and in accordance with Article 10 of the Company's articles of association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of D Shares on such terms as the directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 727(1) and 729(1) of the Act, provided that:

- 3.14.6.1 the maximum number of D Shares hereby authorised to be purchased is an amount equal to 10 per cent. of the D Shares in issue immediately following the Offer;
- 3.14.6.2 the minimum price, exclusive of any expenses, which may be paid for a D Share is 25p;
- 3.14.6.3 the maximum price, exclusive of any expenses, which may be paid for each D Share is an amount equal to the higher of: (a) 105 per cent of the average of the middle market quotations for a D Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the D Share is purchased; and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and
- 3.14.6.4 the authority hereby conferred shall, unless previously revoked or varied, expire on the conclusion of the annual general meeting of the Company to be held in 2015 except in relation to the purchase of D Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.
- 3.14.7 THAT, subject to the approval of the High Court of Justice, the amount standing to the credit of the share premium account of the Company immediately following the closing of the Offer be cancelled.
- 3.15 At the date of this document the authorised and issued fully paid share capital of each of the Companies is:

	Class of shares	Nominal value	£	Authorised no	£	Issued (fully paid) no
Ventus	Ordinary Shares	£0.25	12,500,000	50,000,000	4,076,887	16,307,547
	C Shares	£0.25	5,000,000	20,000,000	2,832,277	11,329,107
Ventus 2	Ordinary Shares	£0.25	12,500,000	50,000,000	6,105,664	24,422,655
	C Shares	£0.25	5,000,000	20,000,000	2,832,277	11,329,107

- 3.16 The authorised and issued fully paid share capital of the Companies immediately after the Offer has closed (assuming 20,000,000 D Shares are issued under the Offer) will be as follows:

	Class of shares	Nominal value	£	Authorised no	£	Issued (fully paid) no
Ventus	Ordinary Shares	£0.25	12,500,000	50,000,000	4,076,887	16,307,547
	C Shares	£0.25	5,000,000	20,000,000	2,832,277	11,329,107
	D Shares	£0.25	5,000,000	20,000,000	2,500,000	10,000,000
Ventus 2	Ordinary Shares	£0.25	12,500,000	50,000,000	6,105,664	24,422,655
	C Shares	£0.25	5,000,000	20,000,000	2,832,277	11,329,107
	D Shares	£0.25	5,000,000	20,000,000	2,500,000	10,000,000

- 3.17 The authorised but unissued share capital of Ventus immediately after the Offer has closed (assuming 20,000,000 D Shares are issued under the Offer) will be £13,090,836 divided into 33,692,453 Ordinary Shares, 8,670,893 C Shares and 10,000,000 D Shares, representing approximately 58.2% of Ventus's authorised share capital. On the above assumption, the D Shares issued under the Offer will represent 26.6% of Ventus's enlarged issued ordinary share capital.
- 3.18 The authorised but unissued share capital of Ventus 2 immediately after the Offer has closed (assuming 20,000,000 D Shares are issued under the Offer) will be £11,062,059 divided into 25,577,345 Ordinary Shares, 8,670,893 C Shares and 10,000,000 D Shares, representing approximately 49.2% of Ventus 2's authorised share capital. On the above assumption, the D Shares issued under the Offer will represent 21.9% of Ventus 2's enlarged issued ordinary share capital.
- 3.19 Other than the issue of D Shares pursuant to the Offer, the Companies have no present intention to issue any of the authorised but unissued share capital of the Companies.

- 3.20 The Companies do not have in issue any securities not representing share capital.
- 3.21 The provisions of section 561(1) of the Act (to the extent not disapplied pursuant to section 570(1) of the Act) confer on shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 570(1) of the Act) which are, or are to be, paid up in cash and will apply to the authorised but unissued share capital of the Companies, except to the extent disapplied by resolutions passed by Shareholders. Subject to certain limited exceptions, unless the approval of Shareholders in a general meeting is obtained, the Companies must normally offer shares to be issued for cash to holders on a *pro rata* basis.
- 3.22 No shares of the Companies are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 3.23 Save as disclosed in this paragraph 3, there has been no issue of share or loan capital of the Companies in the three years immediately preceding the date of this document and (other than pursuant to the Offer) no such issues are proposed.
- 3.24 No share or loan capital of the Companies is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 3.25 Except for commissions paid to authorised introducers in respect of previous offers for subscription, no commissions, discounts, brokerages or other special terms have been granted by the Companies in connection with the issue or sale of any share or loan capital of the Companies in the three years immediately preceding the date of this document or is intended to be given.
- 3.26 Other than pursuant to the Offer, none of the D Shares have been sold or are available in whole or in part to the public in conjunction with the application for the D Shares to be admitted to the Official List.
- 3.27 The D Shares will be in registered form. No temporary documents of title will be issued and prior to the issue of definitive certificates, transfers will be certified against the register. It is expected that definitive share certificates for the D Shares not to be held through CREST will be posted to allottees as soon as practicable following allotment of the D Shares. D Shares to be held through CREST will be credited to CREST accounts on Admission. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and otherwise than by a written instrument. The Companies' articles of association permit the holding of D Shares in CREST.
- 3.28 The ISIN and SEDOL Codes of the Ventus Ordinary Shares are GB00B03KMY45 and B03KMY4, respectively. The ISIN and SEDOL Codes of the Ventus 2 Ordinary Shares are GB00B0WCHT14 and B0WCHT1, respectively. The ISIN and SEDOL Codes of the Ventus C Shares are GB00B3KVC412 and B3KVC41, respectively. The ISIN and SEDOL Codes of the Ventus 2 C Shares are GB00B3KVC529 and B3KVC52, respectively. The ISIN and SEDOL codes of the Ventus D Shares are GB00BFXW7734 and BFXW773, respectively. The ISIN and SEDOL codes of the Ventus 2 D Shares are GB00BFXW7841 and BFXW784, respectively.

4 Memorandum and articles of association

The memorandum of association of each Company provides that the Company's principal object is to carry on the business of a VCT. The objects of each Company are set out in full in clause 4 of its memorandum of association.

The articles of association of each Company ("the Articles") contain, *inter alia*, the following provisions (in this paragraph 4, "the Company" means each of Ventus and Ventus 2):

Rights attaching to the D Shares

- 4.1 The Articles to be adopted at the general meetings convened for 18 December 2013 will contain the following rights attaching to the D Shares

The following provisions apply in respect of the D Shares and their subsequent conversion into Ordinary Shares:

"D Share Calculation Date" means the earlier of:

- (a) close of business on the business day on which the D Share assets are, in the opinion of the Directors, sufficiently mature and income generating that it is in the interest of all shareholders of the Company to give effect to the conversion; and
- (b) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

"D Share Conversion" means conversion of the D Shares in accordance with the Articles;

"D Share Conversion Date" means the earlier of:

- (a) close of business on the business day which falls two months after the D Share Calculation Date; and
- (b) close of business on the day selected by the directors following a resolution of the Directors that Force Majeure Circumstances have arisen or are imminent;

"Conversion Ratio" is $\frac{A}{B}$ where:

"A" =

$$\frac{C-D}{E}$$

And

"B" =

$$\frac{F-(C-D) - (G-H)}{I}$$

and where:

"C" is the aggregate of:

- (a) the value of all investments of the Company attributable to the D Shareholders at their respective acquisition costs, subject to such adjustments as the directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the D Share Calculation Date; and
- (b) the amount which in the Directors' opinion fairly reflects, at the D Share Calculation Date, the value of the current assets of the Company attributable to the D Shareholders (including cash and deposits with or balances at a bank and including any income and other items of a revenue nature);

"D" is the amount (to the extent not otherwise deducted from the assets attributable to the D Shareholders) which in the Directors' opinion fairly reflects the amount of the liabilities attributable to the D Shareholders on the D Share Calculation Date;

"E" is the number of D Shares in issue on the D Share Calculation Date;

"F" is the net asset value of the Company as at the D Share Calculation Date which is arrived at after all adjustments reasonably deemed necessary by the directors to reflect the current value of all assets and to allow for all liabilities including any income and other items of a revenue nature;

"G" is the aggregate of:

- (a) the value of all investments of the Company attributable to the C Shareholders at their respective acquisition costs, subject to such adjustments as the directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the D Share Calculation Date; and
- (b) the amount which in the directors' opinion fairly reflects, at the D Share Calculation Date, the value of the current assets of the Company attributable to the C Shareholders (including cash and deposits with or balances at a bank and including any income and other items of a revenue nature);

"H" is the amount (to the extent not otherwise deducted from the assets attributable to the C Shareholders) which in the directors' opinion fairly reflects the amount of the liabilities attributable to the C Shareholders on the D Share Calculation Date;

"I" is the number of Ordinary Shares in issue on the D Share Calculation Date;

provided that an amount equal to that which the directors reasonably estimate will be paid as the final dividend in respect of the year ending on or after the D Share Calculation Date shall be allowed for (at the directors' discretion) in the amount of "F" and that the directors shall make such other adjustments to the value or amount of "A" and "B" as the auditors shall report to be appropriate having regard, *inter alia*, to the assets attributable to the D Shareholders or the C Shareholders on the D Share Calculation Date, to the assets of the Company on the D Share Calculation Date and/or to the reasons for the issue of the C Shares referred to in the circular to the shareholders of the Company dated 13 February 2009 and/or to the reasons for the issue of the D Shares referred to in the circular to the shareholders of the Company dated 19 November 2013.

"D Share Surplus" means the net assets of the Company attributable to the D Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities including the fees and expenses of the liquidation or return of capital (as the case may be) shall reasonably allocate to the assets of the Company attributable to the D Shareholders;

"Existing Ordinary Shares" means the Ordinary Shares in issue on the D Share Conversion Date.

"Force Majeure Circumstances" means any political and/or economic and/or market circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the directors, renders it necessary to bring the D Share Conversion Date and/or the D Share Calculation Date forward;

"D Share Issue Date" means the day on which the Company receives the net proceeds of the first issue of the D Shares;

"New Ordinary Shares" means new shares of 25 pence each (created under the Companies Act 1985) arising on Conversion of the D Shares which, when issued, shall rank *pari passu* in all respects and form a single class with the Existing Ordinary Shares. The New Ordinary Shares will be in registered form and may be held either by way of definitive share certificate or in electronic form in a CREST account.

"Share Surplus" means the net assets of the Company (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less the Company's liabilities (including the fees and expenses of a liquidation or return of capital, as the case may be) less the D Share Surplus; and

"Statutes" means Companies Act 2006, and every other statute for the time being in force concerning companies affecting the Company.

For the purposes of the Articles, assets attributable to the D Shareholders or the D Shares shall mean the net cash proceeds (after all expenses relating thereto) of the issue of the D Shares as invested in or represented by investments or cash or other assets from time to time less such proportion of the expenses and liabilities of the Company incurred or accrued between the D Share Issue Date and the D Share Calculation Date (both dates inclusive) as the directors fairly consider to be allocatable to the D Shares.

References in the Articles to the auditors certifying any matter shall be construed to mean certification of their opinion as to such matter whether qualified or not and should the Company's auditors be unable or unwilling to act, references to "auditors" shall be construed to mean references to any expert to be nominated by the President or next senior officer then available for the time being of the Institute of Chartered Accountants in England and Wales.

4.2 Undertakings

Until a D Share Conversion and without prejudice to its obligations under the Statutes, the Company shall (i) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the D Shareholders can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that a separate cash pool account, investment settlement account and income account shall be created and maintained in the books of the Company for the assets attributable to the D Shareholders, (ii) allocate to the assets attributable to the D Shareholders such proportion of the expenses and liabilities of the Company incurred or accrued between the D Share Issue Date and the D Share Calculation Date (both dates inclusive) as the directors fairly consider to be allocable to the D Shares and (iii) give

appropriate instructions to the Company's investment managers to manage the Company's assets so that such undertakings can be complied with by the Company.

4.3 The D Share Conversion Process

- (a) The Directors shall procure that:
- (i) within the two months of the D Share Calculation Date, both the D Share Conversion Ratio as at the D Share Calculation Date and the number of New Ordinary Shares to which each D Shareholder shall be entitled on D Share Conversion shall be calculated; and
 - (ii) the auditors shall be requested to certify, within two months of the D Share Calculation Date, that both the calculation on the D Share Conversion Ratio and the total number of New Ordinary Shares arising on D Share Conversion:
 - (1) have been performed in accordance with the Articles; and
 - (2) are arithmetically accurate;whereupon, subject to the proviso immediately after the definition of "I" above, such calculations shall become final and binding on the Company and all shareholders.
- (b) The Directors shall procure that as soon as practicable following such certification a notice is sent to each D Shareholder advising such D Shareholder of the D Share Conversion Date, the D Share Conversion Ratio and the number of New Ordinary Shares to which such D Shareholder shall be entitled on D Share Conversion.
- (c) The Directors may in their absolute discretion from time to time decide the manner in which the D Shares are to be converted, subject to the provisions of the Articles and the Statutes, to the intent that on D Share Conversion all D Shares shall convert into New Ordinary Shares.
- (d) Without prejudice to paragraph (c) above, the Directors may, where the D Share Conversion Ratio is greater than 1, in order to facilitate the D Share Conversion, provide for the profits or reserves attributable to the D Shares to be capitalised and applied in paying up in full such number of New Ordinary Shares as shall be calculated by multiplying the number of New Ordinary Shares arising on the D Share Conversion by the D Share Conversion Ratio and then deducting the number of New Ordinary Shares arising on the D Share Conversion, and allot such shares, credited as fully paid up, to the holders of D Shares *pro rata* to their holdings.
- (e) Without prejudice to paragraph (c) above, the directors may, where the D Share Conversion Ratio is less than 1, in order to facilitate the D Share Conversion, provide for the profits or reserves attributable to the Existing Ordinary Shares to be capitalised and applied in paying up in full such number of New Ordinary Shares as shall be calculated by dividing the number of Existing Ordinary Shares by the D Share Conversion Ratio and then deducting the number of Existing Ordinary Shares, and allot such shares, credited as fully paid up, to the holders of Existing Ordinary Shares *pro rata* to their holdings.
- (f) The Directors may deal in such manner as they think fit with any fractional entitlements to New Ordinary Shares arising upon the D Share Conversion including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining the proceeds for then benefit of the Company.
- (g) Forthwith upon D Share Conversion, the Company shall issue to each former D Shareholder, certificates in respect of the New Ordinary Shares which have arisen upon the D Share Conversion. The New Ordinary Shares will be admitted to the Official List of the UKLA and to trading on London Stock Exchange Plc's market for listed securities.
- (h) Forthwith upon D Share Conversion, the rights attaching to the D Shares under the Articles shall lapse.

4.4 Voting rights

Subject to the rights or restrictions referred to in paragraph 4.6 below and subject to any special rights or restrictions as to voting for the time being attached to any shares, on a show of hands (i) every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (ii) on a show of hands every proxy

appointed by a member shall have one vote; and on a poll every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote for each share held by such member. Where a duly authorised representative or proxy is a member in his own right, he may only vote once on a show of hands.

4.5 Restrictions on voting

A member of the Company is not entitled, either in person or by proxy, in respect of any share held by him, to be present at any general meeting of the Company unless all amounts payable by him in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to attend general meetings and vote or to exercise rights of membership if he or another person appearing to be interested in the relevant shares has failed to comply with a notice given under section 793 of the Act within 14 days. The restrictions will continue for the period specified by the board provided that such period shall end not later than seven days after the earliest of (i) due compliance to the satisfaction of the Board with the section 793 notice; or (ii) receipt by the Company of notice that the shareholding has been sold to a third party pursuant to an arm's length transfer.

4.6 Dividends

The Company may, by ordinary resolution, declare a dividend to be paid to the members out of the net assets attributable to the relevant class of share and from income received which is attributable to the relevant class of share. The Directors may pay such interim dividends as appear to the board to be justified by the financial position of the Company. No dividends payable in respect of a share shall bear interest. The Directors may, if authorised by an ordinary resolution, offer shareholders the right to elect to receive further shares, credited as fully paid instead of cash in respect of all or part of a dividend (a "scrip dividend"). The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, withhold dividends or other sums payable in respect of shares which are the subject of a notice under section 793 of the Act and which represent 0.25% or more in nominal value of the issued shares of their class and in respect of which the required information has not been received by the Company within 14 days of that notice and the member holding those shares may not elect, in the case of a scrip dividend, to receive shares instead of that dividend.

The Company or its Directors may fix a date as the record date for a dividend provided that the date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared. A dividend unclaimed for a period of 12 years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.

4.7 Return of capital

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company attributable to the relevant class of share and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may with the same sanction, vest the whole or any part of the assets in trustees on trusts for the benefit of the members as the liquidator, with the same sanction, thinks fit but no member shall be compelled to accept any assets on which there is any liability.

4.8 Variation of rights

Any rights attaching to a class of shares in the Company may be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of the class (excluding any shares of the class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of the relevant class. The quorum for the separate general meeting shall be two persons holding, or represented by proxy, not less than one-third in nominal value of the issued shares of the relevant class (excluding any shares of the class held as treasury shares).

4.9 Transfer of shares

Subject to the restriction set out in this paragraph, any member may transfer all or any of his shares in any manner which is permitted by the Statutes (as defined in the Articles) or in any other manner approved by the board. A transfer of a certificated share shall be in writing in the usual common form or in any other form permitted by the Statutes or approved by the Board. The transferor is deemed

to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. All transfers of uncertificated shares shall be made by means of the relevant system or in any other manner which is permitted by the Statutes and is from time to time approved by the Board.

The Directors have a discretion to refuse to register a transfer of a certificated share which is not fully paid (provided that this does not prevent dealings in the shares from taking place on an open and proper basis). The Directors may also decline to register a transfer of shares in certificated form unless (i) the instrument of transfer is deposited at the office of the Company or such other place as the board may appoint, accompanied by the certificate for the shares to which it relates if it has been issued and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (ii) the instrument of transfer is in respect of only one class of share as in favour of no more than four transferees. The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a notice under section 793 of the Act and which represent at least 0.25% of the issued shares of their class, and in respect of which the required information has not been received by the Company within 14 days after service of the notice.

Save as aforesaid, the Articles contain no restrictions as to the free transferability of fully paid shares.

4.10 Alteration of capital and purchase of own shares

The Company may alter its share capital as follows:

- 4.10.1 by ordinary resolution, it may increase its share capital, consolidate and divide all or any of its share capital into shares of a larger amount, sub-divide all or any of its shares into shares of smaller amount and cancel any shares not taken or agreed to be taken by any person;
- 4.10.2 by special resolution and subject to the provisions of the Statutes, it may reduce its share capital, any capital redemption reserve, any share premium account or other undistributable reserves in any way; and
- 4.10.3 subject to the provisions of the Statutes, the Company may purchase all or any of its shares of any class, including redeemable shares and may hold such shares as treasury shares or cancel them.

4.11 General meetings

4.11.1 Annual general meetings

The Board shall convene and the Company shall hold annual general meetings in accordance with the requirements of the Statutes.

4.11.2 Convening of general meetings

All meetings other than annual general meetings shall be called general meetings. The Board may convene a general meeting whenever it thinks fit. A general meeting shall also be convened by the Board on the requisition of members pursuant to the provisions of the Statutes or, in default, may be convened by such requisitions, as provided by the Statutes. The Board shall comply with the provisions of the Statutes regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

4.11.3 Orderly conduct of meetings

The Board may both prior to and during any general meeting make any arrangements and impose any restrictions which it considers appropriate to ensure the security and/or the orderly conduct of any such general meeting, including, without limitation, arranging for any person attending any such meeting to be searched, for items of personal property which may be taken into any such meeting to be restricted and for any person (whether or not a member of the Company) who refuses to comply with any such arrangements or restrictions to be refused entry to or excluded from any such meeting.

4.11.4 Notice of general meetings

Subject to the provisions of the Statutes, an annual general meeting and all other general

meetings of the Company shall be called by at least such minimum period of notice as is prescribed under the Statutes for the type of meeting concerned.

The notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted.

Notice of every general meeting shall be given to all members other than any who, under the provisions of the Articles or the terms of issue of the shares which they hold, are not entitled to receive such notices from the Company, and also to the auditors (or, if more than one, each of them) and to each Director.

Every notice of meeting shall state with reasonable prominence that a member entitled to attend, speak and vote at the meeting may appoint one or more proxies to attend, speak and vote at that meeting instead of him and that a proxy need not be a member of the Company.

4.11.5 Quorum

No business, other than the appointment of a chairman, shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business.

Except as otherwise provided by the Articles two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or by proxy or a duly authorised representative of a corporation which is a member shall be a quorum. If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or, if that day is not a business day, to the next business day) and at the same time and place, as the original meeting, or to such other day, and at such other time and place, as the Board may decide and in the latter case not less than seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

4.11.6 Chairman

At each general meeting, the chairman of the Board or, if he is absent or unwilling, the deputy chairman (if any) of the Board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, then one of the other Directors who is appointed for the purpose by the Board or (failing appointment by the Board), by the members present, shall preside as chairman of the meeting, but if no Director is present within 15 minutes after the time fixed for holding the meeting or, if none of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

4.11.7 Directors entitled to attend and speak

Whether or not he is a member, a Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

4.11.8 Adjournment

With the consent of any meeting at which a quorum is present the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting from time to time or *sine die* and from place to place.

In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting.

4.11.9 Method of voting and demand for poll

At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chairman of the meeting;
- (b) not less than five members present in person or by proxy having the right to vote on the resolution;
- (c) a member or members present in person or by proxy representing in aggregate not less than 10 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 any shares in the Company held as treasury shares);
- (d) a member or members present in person or by proxy holding shares conferring the right to vote on the resolution on which an aggregate sum has been paid up equal to not less than 10 per cent. of the total sum paid up on all the shares conferring that right (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares);

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

4.11.10 Taking a poll

If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).

4.11.11 Proxies

A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member.

4.11.12 Form of proxy

An appointment of a proxy shall be in writing in:

- (a) hard copy in any usual form or in any other form which the Board may approve, executed by the appointor, or his agent duly authorised in writing, or, if the appointor is a corporation, shall either be executed under its common seal or be signed by some agent or officer authorised for that purpose; or
- (b) electronic form.

4.11.13 Deposit of proxy

The appointment of a proxy shall:

- (a) in the case of an appointment in hard copy form, be delivered personally or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose in the notice convening the meeting or in any form of proxy sent by or on behalf of the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting;
- (b) in the case of an appointment in electronic form, be received at an address specified (or is deemed by a provision in the Act to have been specified) by or on behalf of the Company for the purpose of receiving documents or information in electronic form in, or by way of note to, the notice convening the meeting or in any form of proxy sent by or on behalf of the Company in relation to the meeting or in any invitation in electronic form to appoint a proxy issued by or on behalf of the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting;
- (c) in the case of a poll which is taken more than 48 hours after it is demanded, be delivered or received as aforesaid not less than 24 hours before the time appointed for the taking of the poll; or

- (d) in the case of a poll which is not taken at the meeting at which it is demanded but is taken not more than 48 hours after it was demanded, be delivered in hard copy form at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

In relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction.

An appointment of a proxy relating to more than one meeting (including any adjournment thereof) having once been so received for the purposes of any meeting shall not require to be received again for the purposes of any subsequent meeting to which it relates.

4.11.14 Notice of revocation of proxy

Notice of the revocation of the appointment of a proxy may be given in any lawful manner which complies with the regulations (if any) made by the directors to govern the revocation of a proxy.

4.12 Directors

4.12.1 Number

Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall be not less than two but there shall be no maximum number of Directors.

4.12.2 Appointment of Directors by the Company in general meeting

The Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

No person (other than a Director retiring by rotation or otherwise) shall be appointed or re-appointed a Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than seven nor more than 42 clear days before the date appointed for the meeting there has been given to the Company, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person, stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors and a notice executed by that person of his willingness to be appointed.

The Board may appoint any person who is willing to act to be a Director either to fill a vacancy or by way of addition to their number.

4.12.3 Remuneration

The Directors (other than any Director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as determined by the Directors. The aggregate of the fees per Company shall not exceed £100,000 per annum (or such larger sum as the Company may, by ordinary resolution determine). Any fee shall be distinct from any remuneration or other amounts payable to a Director under other provisions of the Articles and shall accrue from day to day. The Directors may be paid all travelling, hotel and other expenses properly incurred in and about the discharge of their duties as Directors including expenses incurred in travelling to and from meetings of the Board, committee meetings, general meetings and separate meetings of the holders of any class of securities of the Company.

4.12.4 Retirement of Directors

At each annual general meeting any Director who has been appointed by the Board since the previous annual meeting and any Director selected to retire by rotation shall retire from office.

4.12.5 Retirement of Directors by rotation

At each annual general meeting of the Company, one-third of the Directors (excluding any Director who has been appointed by the Directors since the previous annual general

meeting) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third shall retire from office. In addition, each Director shall retire from office at the third annual general meeting after he was appointed or reappointed, if he would not otherwise fall within the Directors to retire by rotation.

The Directors to retire shall be those Directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment but, as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Directors to retire on each occasion shall be determined (both as to number or identity) by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and no Directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time but before the close of the meeting.

A retiring Director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with the Articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.

If at any meeting at which the appointment of a Director ought to take place the office vacated by a retiring Director is not filled, the retiring Director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

No person shall be disqualified from being appointed a Director and no Director shall be required to vacate from office, by reason only of his age.

4.12.6 Removal of Directors

The Company may by ordinary resolution, of which special notice has been given in accordance with the Statutes, remove any Director before his period of office has expired notwithstanding anything in the Articles or in any agreement between him and the Company.

4.12.7 Vacation of office of Director

Without prejudice to the provisions of the Articles for retirement or removal, the office of a Director shall be vacated:

- (a) if he is prohibited by law from being a Director;
- (b) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
- (c) if he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs;
- (d) if for more than six months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the Board, from meetings of the Board held during that period and the board resolves that his office be vacated; or
- (e) if he serves on the Company notice of his wish to resign, in which event he shall vacate office on the service of that notice on the Company or at such later time as is specified in the notice.

4.12.8 Executive Directors

The Board may appoint one or more directors to hold any executive office or employment under the Company and on such terms as the Board determines.

A Director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a Director without prejudice to any claim for damages for breach of any contract of employment.

4.12.9 Power to appoint alternate Directors

Each Director may appoint another Director or any other person who is willing to act as his alternate and may remove him from that office. The appointment as an alternate director of any person who is not himself a Director shall be subject to the approval of a majority of the Directors or a resolution of the Board.

An alternate Director shall be entitled to receive notice of all meetings of the Board and of all meetings of committees of which the Director appointing him is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at the meeting the provisions of the Articles shall apply as if he were a Director.

Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate, in addition to his own vote if he is also a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

4.12.10 Directors' interests

A Director shall not be entitled to vote on a resolution or (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested (including by virtue of interests of persons connected with him) save where the other Directors resolve that he should be entitled to do so where they are satisfied that this interest cannot reasonably be regarded as likely to give rise to a conflict of interest or save in any of the following circumstances:

- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company (or any of its subsidiary undertakings) or in respect of a debt or obligation of the Company (or any of its subsidiary undertakings) for which he has assumed responsibility, in whole or in part, under a guarantee or an indemnity or by the giving of security;
- (b) any contract concerning an offer of shares, debentures or other securities of or by the Company (or any of its subsidiary undertakings) for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (c) any contract in which he is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
- (d) any contract concerning any other company in which he is interested, directly or indirectly, in 1% or more either of its equity share capital or of its voting rights;
- (e) any contract relating to an arrangement for the benefit of the employees of the Company (or any of its subsidiary undertakings) which does not award him any privilege or benefit not generally awarded to the employees to whom the arrangement relates; and
- (f) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including directors.

Subject to the interest of a Director being duly declared, a contract entered into by or on behalf of the Company in which any Director is in any way interested shall not be avoided nor shall any Director be liable to account to the Company for any benefit realised as a result of the contract.

A Director shall not vote or be counted in the quorum in relation to a resolution of concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment.

Where proposals are under consideration concerning the appointment (including fixing or varying its terms) or the termination of the appointment of two or more Directors, a separate resolution may be put in relation to each Director and in that case, each Director concerned (if not otherwise debarred from voting) is entitled to vote.

4.13 Authorisation of conflicts of interest

Where a situation occurs or is anticipated to occur which gives rise or may give rise to a conflict of interest (excluding a conflict of interest arising in relation to a transaction or arrangement with the company) on the part of any Director (a "Conflicted Director") (other than a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest), the matter shall be referred to the Directors other than the Conflicted Director (the "Non-Conflicted Directors").

The Non-Conflicted Directors shall meet to consider the matter as soon as possible after the matter is referred to them and they have received all relevant particulars relating to the situation. The quorum for a meeting of the Non-Conflicted Directors shall be the same as for a meeting of the board.

The Non-Conflicted Directors have authority to authorise any matter which gives rise to the conflict of interest concerned on such terms as they think fit. Any such terms may be varied by the Non-Conflicted Directors and the Non-Conflicted Directors may revoke such authority at any time insofar as it has not already been acted on. The Non-Conflicted Directors shall communicate their decision promptly to each Conflicted Director.

A Conflicted Director shall not be entitled to any information which is relevant to the matter giving rise to the conflict of interest except to the extent authorised by the Non-Conflicted Directors.

Where a matter giving rise to a conflict of interest is authorised by the Non-Conflicted Directors, the Conflicted Director shall be released from any duty to disclose to the Company any confidential information relating to the matter in question which he receives or has received from a third party; and save as otherwise determined by the Non-Conflicted Directors at the time when they authorise the matter, not be accountable to the Company for any benefit which he derives from such matter (excluding a benefit conferred on the Director by a third party by reason of his being a Director of the Company or by reason of his doing or not doing anything as a Director of the Company).

Any confidential information which a Conflicted Director has received from the Company or in his capacity as a director of the Company shall not be disclosed by him to any third party except insofar as permitted by the Non-Conflicted Directors.

The Directors may authorise a matter which may give rise to a conflict of interest on the part of a person who is proposed to be appointed as a Director to the Board and any authorisation of such matter by the Directors shall apply in relation to such person on his appointment as a Director.

4.14 Benefits

The Board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits allowances or gratuities to any person who is or who has at any time been a director of the Company or in the employment or service of the Company or any Associated Company (as defined in the Articles) or of the predecessors in business of the Company or any Associated Company (or the relatives or dependants of any such person).

4.15 Powers of the board

The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the provisions of the Statutes, the memorandum of association of the Company, the Articles and any special resolution of the Company. No special resolution or alteration of the memorandum of association of the Company or the Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or the alteration had not been made.

4.16 Borrowing powers

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property, assets (present and future) and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries so as to secure (in relation to subsidiaries only so far as by such exercise it can secure) that the aggregate principal amount outstanding at any time in respect of all borrowings by the Group (as defined in the Articles) (exclusive of intra-group borrowing) shall not, without the

previous sanction of the Company in general meeting, exceed a sum equal to 10 per cent. of the adjusted share capital and reserves, provided that prior to the publication of an audited balance sheet of the Company such aggregate principal amount shall be limited to 10 per cent. of the amount paid up or credited as paid up (whether in respect of nominal value or premium) on the allotted or issued share capital of the Company.

For this purpose, the adjusted capital and reserves means the aggregate of the amount paid up on the issued or allotted share capital of the Company and the amount standing to the credit of the reserves of the Group (including share premium account, capital redemption reserve fund, property revaluation reserve and unappropriated balance of investment or grants), after adding or deducting any balance standing to the credit or debit of the Group's profits and loss account, all as shown in the relevant balance sheet but adjusted as may be appropriate in respect of any variation in the amount of the paid up share capital, the share premium account or capital redemption reserve since the date of the relevant balance sheet, excluding amounts attributable to the share capital of any undertaking not owned by a Group Company (as defined in the Articles) and any sum set aside for taxation, and after deducting the amount of any distribution declared, recommended or made by any Group Company and after making such other adjustments (if any) as the Board may consider appropriate or necessary and as are approved by the auditors.

4.17 Indemnity of officers

Subject to the provisions of and so far as may be permitted by and consistent with the Statutes each current or former director or other officer (other than an auditor) of the Company or any associated company may be indemnified out of the assets of the Company against:

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company other than in the case of a current or former Director:
 - (i) any liability to the Company or any associated company; and
 - (ii) any liability of the kind referred to in section 234(3) of the Act; and
- (b) any liability incurred by or attaching to him in connection with the activities of the Company or any Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) other than a liability of the kind referred to in section 235(3) of the Act; and
- (c) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers.

For the purpose of this Article, references to "liability" shall include all costs and expenses incurred by the current or former Director or other officer (other than an auditor) in relation thereto.

Subject to the provisions of and so far as may be permitted by the Statutes, the Board may exercise all the powers of the Company to:

- (a) provide any current or former Director or other officer (other than an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company, or in connection with any application for relief under the provisions mentioned in section 205(5) of the Act; and
- (b) do anything to enable any such person to avoid incurring expenditure, but so that the terms set out in section 205(2) of the Act shall apply to any such provision of funds or other things so done. For the purpose of this Article references to "director" in section 205(2) of the Act shall be deemed to include references to a former Director or other officer (other than an auditor) of the Company.

The Board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office (as defined in the Articles), insurance against any liability or expense incurred by him in relation to the Company or any associated company or any third party in respect of any act or omission in the actual or purported discharge of his duties or otherwise in connection with holding his office.

4.18 Delegation to individual Directors

The Board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as it thinks fit and may revoke or vary all or any of them, but no person dealing in good faith shall be affected by any revocation or variation.

4.19 Committees

The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) including without prejudice to the generality of the foregoing all powers, authorities and discretions whose exercise involves or may involve the payment of remuneration to, or the conferring of any other benefit on, all or any of the Directors to any committee consisting of such person or persons (whether Directors or not) as it thinks fit, provided that the majority of the members of the committee are Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are Directors.

4.20 Board meetings

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.

4.20.1 Notice of Board meetings

Notice of a Board meeting shall be deemed to be properly given to a director if it is given to him personally or by word or mouth or sent in hard copy form to him at his last known address or any other address given by him to the Company for this purpose or sent in electronic form to him at an address given by him to the Company for this purpose.

4.20.2 Quorum

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to the provisions of the Articles, any director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

4.20.3 Voting

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote.

4.20.4 Telephone and video conference meetings

A meeting of the Board may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:

- (a) to hear each of the other participating directors addressing the meeting; and
- (b) if he wishes, to address all of the other participating directors simultaneously, whether by conference telephone or by video conference or by any other form of communications equipment (whether in use when the Articles are adopted or developed subsequently) or by a combination of any such methods.

A meeting held in this way is deemed to take place at the place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

4.20.5 Resolutions in writing

A resolution in writing signed by all the Directors entitled to notice of a meeting of the Board and to attend such meeting, count in the quorum and vote on such resolution shall be as valid and effective as if it had been passed at a meeting of the Board duly called and constituted provided that the number of Directors signing the resolution is not less than the number of Directors required for a quorum necessary for the transaction of the business of the Board. The resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the Directors concerned.

4.21 Distribution of realised capital profits

At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company (a "Relevant Period") distribution of the Company's capital profits shall be prohibited. The Board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Statutes, the Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Statutes, any expenses, loss or liability (or provision therefor) which the board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the capital reserve shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 830(2) of the Act) or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 830(2) of the Act) or be applied in paying dividends on any shares in the Company.

4.22 Duration of the Company

The Directors shall put an ordinary resolution to the annual general meeting of the Companies in 2018 and, if passed, to every fifth subsequent annual general meeting, proposing that each Company should continue as a VCT for a further five year period. If any such ordinary resolution is not passed, the Directors shall draw up proposals for the reorganisation, reconstruction or voluntary winding up of the Company for submission to the members of the Company at general meeting to be convened by the Directors on a date not more than four months after such annual general meeting. Implementation of the proposals will require the approval of members by special resolution. Subject to the passing of Resolution 5 at the General Meetings, the above date will be extended from 2018 to 2020.

5 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Shares have been made eligible for settlement in CREST by means of a resolution of the Boards of each of the Companies, with the necessary notice having been given to all members of the Company at that time, as contemplated by the Uncertificated Securities Regulations 2001.

6 Directors' interests

6.1 As at the date of this document and on Admission the interests of the Directors and their immediate families (all of which are beneficial) in the share capital of the Companies which:

- 6.1.1 are or will be notified to the Companies in accordance with rule 3 of the Disclosure and Transparency Rules ("DTR 3") by each Director; or
- 6.1.2 are interests of a connected person (within the meaning in DTR 3) of a Director which are or will be required to be disclosed under paragraph 6.1.1 above and the existence of which is known to or could with reasonable diligence be ascertained by that Director,

are or are expected to be as follows:

As at the date of this Document

After the Offer has closed

Director	Number of Ordinary Shares	Number of C Shares	Number of D Shares	Number of Ordinary Shares	Number of C Shares	Number of D Shares
Ventus						
David Pinckney	10,104	2,600	nil	10,104	2,600	nil
Richard Abbott	30,000	nil	nil	30,000	nil	nil
David Williams	nil	nil	nil	nil	nil	50,000
Ventus 2						
Alan Moore	28,579	10,400	nil	28,579	10,400	5,000
Paul Thomas	10,900	5,200	nil	10,900	5,200	10,000
Colin Wood	10,900	5,200	nil	10,900	5,200	nil

- 6.2 At the date of this document and after the Offer has closed, Ventus is aware of the following persons who hold, or who will hold, directly or indirectly, voting rights representing 3% or more of the issued share capital of Ventus to which voting rights are attached (assuming 10,000,000 D Shares are issued by Ventus under the Offer and that the persons below do not acquire any D Shares under the Offer):

As at the date of this Document		
Name	Number of Shares	Percentage of voting rights of Shares
The Bank of New York (Nominees) Limited	1,382,602	5.00%
Chase Nominees Limited	936,406	3.39%

After the Offer has closed		
Name	Number of Shares	Percentage of voting rights of Shares
The Bank of New York (Nominees) Limited	1,382,602	3.67%
Chase Nominees Limited	936,406	2.49%

At the date of this document and after the Offer has closed, Ventus 2 is not aware of any person who holds, or who will hold, directly or indirectly, voting rights representing 3% or more of the issued share capital of Ventus 2 to which voting rights are attached.

- 6.3 Save as disclosed in paragraph 6.2 above, the Companies are not aware of any person who will, immediately following Admission, hold (for the purposes of rule 5 of the Disclosure and Transparency Rules ("DTR 5")) directly or indirectly voting rights representing 3% or more of the issued share capital of either Company to which voting rights are attached or could, directly or indirectly, jointly or severally, exercise control over either Company.
- 6.4 The persons referred to in paragraph 6.2 above, do not have voting rights in respect of the share capital of either of the Companies (issued or to be issued) which differ from any other Shareholder.
- 6.5 The Companies and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Companies.
- 6.6 No Director has any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Companies and which were effected by the Companies in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.
- 6.7 Although no conflicts have arisen prior to the date of this document, Alan Moore has, pursuant to section 175 of the Act, declared a potential conflict of interest arising in respect of his non-executive directorship of Partnerships for Renewables Limited, which develops small-to-mid scale renewable

projects in partnership with public sector bodies. Paul Thomas has declared a conflict of interest as chairman of Manager's investment committee for the Companies. Save as set out in this paragraph, there are no potential conflicts of interest between any duties owed to the Companies by the Directors and their private and/or other duties.

- 6.8 The business address of all the Directors is Berger House, 36-38 Berkeley Square, London W1J SAE.
- 6.9 None of the Directors has at any time within the last five years:
 - 6.9.1 had any convictions (whether spent or unspent) in relation to offences involving fraud or dishonesty;
 - 6.9.2 been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated recognised professional bodies) or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - 6.9.3 been a director or senior manager of a company which has been put into receivership, compulsory liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors; or
 - 6.9.4 been the subject of any bankruptcy or been subject to an individual voluntary arrangement or a bankruptcy restrictions order.
- 6.10 There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any Director was selected as a member of the administrative, management or supervisory bodies or member of senior management.
- 6.11 There are no restrictions agreed by any Director on the disposal within a certain period of time of their holdings in the Companies' securities.
- 6.12 There are no outstanding loans or guarantees provided by either of the Companies for the benefit of any of the Directors nor are there any loans or any guarantees provided by any of the Directors for either of the Companies.

7 Directors' remuneration and service agreements

- 7.1 In the financial year ended 28 February 2013, the aggregate remuneration of the Directors from Ventus was £25,000, £20,000 and £20,000 in respect of David Pinckney, Richard Abbott and David Williams respectively and from Ventus 2 £25,000, £20,000 and £20,000 in respect of Alan Moore, Paul Thomas and Colin Wood respectively. The aggregate remuneration of the Directors in respect of the current financial year (under the arrangements in force at the date of this document) is expected to be £72,500 for each of Ventus and Ventus 2.
- 7.2 The Directors, other than David Pinckney and Alan Moore, are entitled to receive £25,000 per annum from Ventus and £25,000 per annum from Ventus 2. David Pinckney, as Chairman, is entitled to receive £30,000 per annum from Ventus and Alan Moore, as Chairman, £30,000 per annum from Ventus 2.
- 7.3 None of the Directors has a service contract with either of the Companies and no such contract is proposed. Each of the Directors has been appointed on terms which can be terminated by either party on three months' notice.
- 7.4 The Directors are not entitled to compensation on termination of their directorships and no amounts have been set aside or accrued for their pensions, retirement or similar benefits.

8 The Companies and their subsidiaries

Neither Ventus nor Ventus 2 has any subsidiaries.

9 Offer Agreement

Under an offer agreement dated 19 November 2013 between the Companies, the Directors, Howard Kennedy and the Manager, Howard Kennedy agreed to act as sponsor to the Offer and the Manager has undertaken, as agent of the Companies, to use its reasonable endeavours to procure subscribers under the Offer (the "Offer Agreement"). Neither Howard Kennedy nor the Manager is obliged to subscribe for Offer Shares.

Under the Offer Agreement, which may be terminated by Howard Kennedy in certain circumstances, warranties have been given by each Company, the Directors and the Manager, to Howard Kennedy, subject to certain limitations. Each Company has also agreed to indemnify Howard Kennedy in respect of its role as sponsor under the Offer. The warranties and indemnity are in the usual form for a contract of this type. The Offer Agreement may be terminated by Howard Kennedy if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.

10 The City Code

10.1 Mandatory takeover bids

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

The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company the other holders of securities must be protected. This is reinforced by Rule 9 of the Code which requires a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30% or more of the voting rights to make a general offer. "Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required where a person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50% of the voting rights.

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

10.2 Squeeze out

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

10.3 Sell out

Section 983 of the Act permits a minority shareholder to require an offeror to acquire its shares if the offeror has acquired or contracted to acquire shares in either Company which amount to not less

than 90%, in value of all the voting shares in the relevant Company and carry not less than 90%, of the voting rights. Certain time limits apply to this entitlement. If a shareholder exercises its rights under these provisions, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

11 Notifications of shareholdings

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

12 Material contracts

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

- 12.1 The Offer Agreement, details of which are set out in paragraph 9 above;
- 12.2 Under an agreement dated 15 November 2013 between the Companies and RAM Capital Partners LLP ("RAM"), RAM has agreed to act as promoter to the Offer for a period of at least one year, the agreement being terminable by either of the Companies or RAM on any anniversary of the agreement. The Manager will be responsible for the payment of RAM's fees under this agreement.
- 12.3 The Management Agreement dated 26 August 2011 (effective on 12 September 2011) between (i) Ventus and (ii) the Manager pursuant to which the Manager will, subject to the policy decisions and directions of the Board, provide or procure the provision of certain investment management services to Ventus for a fee payable quarterly in advance on 1 December, 1 March, 1 June and 1 September in each year (together with any applicable VAT) of an amount equal to 2.5% per annum of the Net Asset Value of Ventus.

The Manager will also provide administrative services to Ventus. Under the Management Agreement, Ventus' operating expenses, including all sums payable under the Management Agreement save for the performance incentive fee described below and exclusive of irrecoverable VAT, will not exceed 3.6% of Ventus' audited Net Asset Value at the relevant year end (save that the Manager's liability will not exceed the amount of its fees).

The Management Agreement also contains the Manager's incentive fee arrangement. No incentive fee will be payable with respect to any share issue until Ventus has provided a cumulative return to investors in the form of growth in Net Asset Value plus payment of dividends (the "Return") of 60p per share (assuming an initial issue price of 100 pence per share). Thereafter, the incentive fee, which is payable in cash, is calculated as 20% of the amount by which the Return in any accounting period exceeds 7p per share. The incentive fee is exclusive of VAT. In the event that the full payment of the incentive fee plus irrecoverable VAT in any accounting period would cause the annual dividend payments made by Ventus in that accounting period to fall below 6p per share for the share class in question, the incentive fee for that share class for that accounting period will be deferred as necessary so that the payment of the incentive fee does not cause the annual dividend payments made by Ventus for that period to fall below 6p per share for that share class. Any balance unpaid will be carried forward and paid at the end of the following accounting period or periods. Interest will be added to any deferred payments calculated at the prevailing base lending rate of HSBC Bank plc. The incentive fee will be payable annually. The existing performance fee arrangements will apply to the D Shares.

The Management Agreement is terminable by either party on 12 months' written notice given at any time after 12 September 2014 subject to earlier termination by any party in the event of, *inter alia*, Ventus or the Manager having a receiver, administrator or liquidator appointed or committing a material breach of the Management Agreement, or by Ventus if it ceases to be a VCT for tax purposes or if the Manager shall cease to be able to carry out its obligations under the Agreement lawfully. If terminated by Ventus without due cause or on less than the requisite notice, the Manager shall be entitled to receive an amount representing the fees which would have been payable during the period for which notice shall not have been given, calculated by reference to the previous quarterly payment. The incentive fee will continue to be payable if the Management Agreement is terminated other than by reason of a default on the part of the Manager. The Management Agreement will terminate automatically, without compensation, upon the passing of a resolution for the voluntary liquidation, reconstruction or reorganisation of Ventus.

Pursuant to a deed of variation dated 19 November 2013, the Management Agreement will, subject to Shareholder approval at the Ventus General Meeting, be amended to (i) extend the date after which the Management Agreement may be terminated on 12 months' written notice from 12 September 2014 to 12 September 2016 and (ii) in consideration for the Manager's services under the Offer Agreement, to provide for the payment by Ventus to the Manager of a fixed arrangement fee of 3% of funds raised by Ventus under the Offer, out of which the Manager will pay all of Ventus' direct and indirect costs and expenses arising out of the Offer, including trail commissions.

- 12.4 The Management Agreement dated 26 August 2011 (effective on 12 September 2011) between (i) Ventus 2 and (ii) the Manager pursuant to which the Manager will, subject to the policy decisions and directions of the Board, provide or procure the provision of certain investment management services to Ventus 2 for a fee payable quarterly in advance on 1 December, 1 March, 1 June and 1 September in each year (together with any applicable VAT) of an amount equal to 2.5% per annum of the Net Asset Value of Ventus 2. In connection with taking over the investment management of Ventus 2, Temporis waived investment management fees amounting to £530,000 in relation to the Ventus 2 Ordinary Share fund.

The Manager will also provide administrative services to Ventus 2. Under the Management Agreement, Ventus 2's operating expenses, including all sums payable under the Management Agreement save for the performance incentive fee described below and exclusive of irrecoverable VAT, will not exceed 3.6% of Ventus 2's audited Net Asset Value at the relevant year end (save that the Manager's liability will not exceed the amount of its fees).

The Management Agreement also contains the Manager's incentive fee arrangement. No incentive fee will be payable with respect to any share issue until Ventus 2 has provided a cumulative return to investors in the form of growth in Net Asset Value plus payment of dividends (the "Return") of 60p per share (assuming an initial issue price of 100 pence per share). Thereafter, the incentive fee, which is payable in cash, is calculated as 20% of the amount by which the Return in any accounting period exceeds 7p per share. The incentive fee is exclusive of VAT. In the event that the full payment of the incentive fee plus irrecoverable VAT in any accounting period would cause the annual dividend payments made by Ventus 2 in that accounting period to fall below 6p per share for the share class in question, the incentive fee for that share class for that accounting period will be deferred as necessary so that the payment of the incentive fee does not cause the annual dividend payments made by Ventus 2 for that period to fall below 6p per share for that share class. Any balance unpaid will be carried forward and paid at the end of the following accounting period or periods. Interest will be added to any deferred payments calculated at the prevailing base lending rate of HSBC Bank plc. The incentive fee will be payable annually. The existing performance fee arrangements will apply to the D Shares.

The Management Agreement is terminable by either party on 12 months' written notice given at any time after 12 September 2014 subject to earlier termination by any party in the event of, *inter alia*, Ventus 2 or the Manager having a receiver, administrator or liquidator appointed or committing a material breach of the Management Agreement, or by Ventus 2 if it ceases to be a VCT for tax purposes or if the Manager shall cease to be able to carry out its obligations under the Agreement lawfully. If terminated by Ventus 2 without due cause or on less than the requisite notice, the Manager shall be entitled to receive an amount representing the fees which would have been payable during

the period for which notice shall not have been given, calculated by reference to the previous quarterly payment. The incentive fee will continue to be payable if the Management Agreement is terminated other than by reason of a default on the part of the Manager. The Management Agreement will terminate automatically, without compensation, upon the passing of a resolution for the voluntary liquidation, reconstruction or reorganisation of Ventus 2.

Pursuant to a deed of variation dated 19 November 2013, the Management Agreement will, subject to Shareholder approval at the Ventus 2 General Meeting, be amended to (i) extend the date after which the Management Agreement may be terminated on 12 months' written notice from 12 September 2014 to 12 September 2016 and (ii) in consideration for the Manager's services under the Offer Agreement, to provide for the payment by Ventus 2 to the Manager of a fixed arrangement fee of 3% of funds raised by Ventus 2 under the Offer, out of which the Manager will pay all of Ventus 2's direct and indirect costs and expenses arising out of the Offer, including trail commissions.

- 12.5 A termination and transfer agreement dated 26 August 2011 ("TTA") in respect of investment management arrangements between Ventus (1), Ventus 2 (2), Climate Change Capital Limited ("CCC") (3), Climate Change Advisory Limited ("CCA") (4) and Climate Change Holdings Limited ("CCH") (5) (parties (3), (4) and (5) together "the CC Companies") whereby the investment management agreements (as varied and supplemented) entered into by the parties were terminated by mutual agreement with effect from 12 September 2011. Under the TTA arrangements were made for the orderly transfer of the investment management services to Temporis and indemnities were given to the CC Companies by Ventus and Ventus 2 in respect of the transfer of employment of certain employees to Temporis. The TTA is in full and final settlement of all claims that either party may have against the others arising out of or in connection with the said management arrangements.
- 12.6 An agreement dated 3 February 2012 between (1) Ventus (2) Ventus 2 and (3) the Manager relating to the allocation of investment opportunities as described under "Investment allocation agreement" in Part II of this Registration Document.
- 12.7 A client agreement dated 15 March 2005 between (1) Ventus, (2) Climate Change Capital Limited and (3) Cazenove Capital Management Limited ("Cazenove"), whereby Cazenove has agreed to advise Ventus in relation to investment in fixed interest securities in return for fees paid quarterly at the end of each of March, June, September and December. The quarterly fee is calculated as the average monthly net asset value of investments in fixed interest securities placed by Cazenove x 0.175%/4 (plus VAT). There is no minimum fee. The agreement may be terminated by the parties on written notice.
- 12.8 A client agreement dated 11 January 2006 between (1) Ventus 2 (2) Climate Change Capital Limited and (3) Cazenove Capital Management Limited ("Cazenove"), whereby Cazenove has agreed to advise Ventus 2 in relation to investment in fixed interest securities in return for fees paid quarterly at the end of each of March, June, September and December. The quarterly fee is calculated as the average monthly net asset value of investments in fixed interest securities placed by Cazenove x 0.175%/4 (plus VAT). There is no minimum fee. The agreement may be terminated by the parties on written notice.
- 12.9 Save as otherwise disclosed in this paragraph 12, as at the date of this document there are no contracts (not being contracts entered into in the ordinary course of business) entered into by the Companies which contain any provision under which the Companies have any obligation or entitlement which is material to the Companies.

13 Related party transactions

On 21 October 2011 Temporis and Ventus 2 entered into a loan agreement (the "Loan Agreement") whereby Temporis granted to Ventus 2 a loan of £530,000 to be used exclusively to fund Ventus 2's working capital requirements or as otherwise agreed with Temporis. This loan was interest free and for so long as it was outstanding, Temporis waived the management fee payable under the Management Agreement referred to at paragraph 12.4 above. Other than the Loan Agreement, the Offer Agreement referred to at paragraph 9 above, the promoter agreement referred to at paragraph 12.2 above, the Management Agreements and the deeds of variation to the Management Agreements referred to at paragraphs 12.3 and 12.4 above and the TTA referred to at paragraph 12.5 above, there have been no related party transactions relating to the Companies since 1 March 2010 within the meaning of IFRS or UK GAAP.

14 Specific Disclosures in respect of Closed Ended Funds

- 14.1 The Manager intends to structure the investment of the Ventus and Ventus 2 D Share funds in accordance with the Companies' object of spreading investment risk and in accordance with their respective published investment policies as set out in Part III. This investment policy is in line with the VCT rules and neither of the Companies will deviate from them, in any material respect, without obtaining Shareholder approval. Further, in accordance with the VCT rules, the Companies will invest in ordinary shares, in some cases a small number of preference shares where applicable, and always in accordance with such rules.
- 14.2 The Companies are not regulated by the FCA (or equivalent overseas regulator) although VCTs need to meet a number of conditions set out in tax legislation in order for the VCT tax reliefs to apply, and comply with the rules and regulations of the UK Listing Authority.
- 14.3 Each of the Companies is regulated by the VCT rules in respect of the investments they make as described in Part V of the Securities Note. Each of the Companies has appointed PricewaterhouseCoopers LLP as its VCT status monitor. PricewaterhouseCoopers LLP will report twice yearly to the Companies as a part of their annual and interim reporting obligations. In respect of any breach of the VCT rules, the Company, together with PricewaterhouseCoopers LLP, will report directly and immediately to HMRC to rectify the breach and announce the same immediately to each of the Companies' shareholders through a regulatory information service provider. In addition, the Companies intend to maintain the investment approach as detailed in Part III.
- 14.4 Neither Company will invest more than 15% of its gross assets in any single company, in accordance with the VCT legislation, nor will either Company control the companies in which it invests in such a way as to render them subsidiary undertakings until it has obtained approval as a VCT from HMRC.
- 14.5 The Companies will not conduct any trading activity which is significant in the context of their groups (if any) as a whole. No more than 10%, in aggregate, of the value of the total assets of the Company at the time an investment is made may be invested in other listed closed-ended investment funds, except where those funds themselves have published investment policies which permit them to invest no more than 15% of their total assets in other listed closed-ended investment funds. The Companies will, at all times, invest and manage their assets in a way which is consistent with their objective of spreading investment risk and in accordance with their published investment policy. The Companies will also invest and manage their assets to ensure compliance with the VCT rules and restrictions.
- 14.6 Each Board must be able to demonstrate that they will act independently of the Manager. A majority of the Boards (including the Chairman) must not be directors, employees, partners, officers, or professional advisors of or to, the Manager or any company in the Manager's group or any other investment entity which they manage.
- 14.7 Neither Company will invest directly in physical commodities.
- 14.8 Neither Company will invest in any property collective investment undertaking.
- 14.9 Neither Company will invest in any derivatives, financial instruments, money market instruments or currencies other than for the purposes of efficient portfolio management (i.e. solely for the purpose of reducing, transferring or eliminating investment risk in the underlying investments of the collective investment undertaking, including any technique or instrument used to provide protection against exchange and credit risks).
- 14.10 The Manager is responsible for the determination and calculation of the Net Asset Value of the Companies on a quarterly basis.
- 14.11 The net asset value of the Companies' investments will be determined half-yearly, concurrent with the half-yearly and annual announcements (which are expected in October and June respectively) in accordance with the British Venture Capital Association's recommendations as set out in the BVCA notes of guidance. The value of investments will be determined according to their listing status. Quoted securities will be valued at mid-market price unless the investment is subject to restrictions or the holding is significant in relation to the share capital of a small quoted company, in which case a discount may be appropriate as per the BVCA guidelines. Unquoted investments will be valued on a cost basis in the first year and reviewed subsequently on the basis of the progression of the business. The net asset value of the Companies will be communicated to investors in Ventus and Ventus 2 through a regulatory information service provider at the same frequency as the determinations.

The Directors do not anticipate any circumstances arising under which the valuations may be suspended. Any suspension will be communicated to investors in Ventus and Ventus 2 through a regulatory information service provider. In the event of any suspension, valuations are held at the suspended price and a view is taken with consideration to best market practice and information from advisers.

- 14.12 Should the determination of net asset value differ from that set out above then this will be communicated to investors in Ventus and Ventus 2 through a regulatory information service provider.

15 Information on the Manager

- 15.1 Temporis Capital LLP is regulated and authorised by the Financial Conduct Authority (no. 440925) and registered in England and Wales under number OC315077 and was incorporated as a limited liability partnership on 7 September 2005 in the UK and operates under the Act and the regulations made under the Act. Temporis Capital LLP is domiciled in the UK and is registered at Berger House, 36-36 Berkeley Square, London, W1J 5AE. The telephone number is 020 7491 9033.

16 Working capital

- 16.1 Ventus is of the opinion that the working capital of Ventus is sufficient for its present requirements, that is, for at least the period of 12 months from the date of this document.
- 16.2 Ventus 2 is of the opinion that the working capital of Ventus 2 is sufficient for its present requirements, that is, for at least the period of 12 months from the date of this document.

17 Capitalisation and Indebtedness

- 17.1 The capitalisation and indebtedness of the Companies as at 31 August 2013 was as follows:

	Ventus (£000)	Ventus 2 (£000)
Indebtedness	Nil	Nil
Shareholders' equity	31,870	29,583
Share capital	6,908	8,937
Reserves	24,962	20,646
Share Premium	Nil	Nil
Cash and cash equivalents	1,036	1,554

- 17.2 All of the indebtedness of the Companies is unsecured and unguaranteed. The Companies have incurred no indirect or contingent indebtedness. Each Company has power to borrow under its articles of association, details of which are set out in the paragraph entitled "Borrowing powers" on page 51.

18 Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Companies are aware) during the 12 months preceding the date of this document, which may have, or have had in the recent past, significant effects on either of the Companies' financial position or profitability.

19. Dividend Policy

It is the intention of the Directors of both Companies that the D Shares will pay dividends of 5p per annum per D Share commencing with the second year after the first allotment of D Shares continuing up until the fifth year after the first allotment of D Shares. During the first year, when the net proceeds of the Offer will be invested, the Directors do not anticipate the payment of D Share dividends. Beyond the fifth year, the Directors have set a target dividend range of 6 to 8 pence per D Share per annum. The Directors believe this is a reasonable objective given the captive pipeline of investment opportunities, the track record of the Manager and the Manager's confidence that the net proceeds of the Offer will be largely invested with one year.

20 General

- 20.1 The costs and expenses relating to the Offer will be 3% of gross funds raised under the Offer. Accordingly, the total net proceeds of the Offer, after all fees, are expected to be £9,700,000 for Ventus and £9,700,000 for Ventus 2 (assuming the Offer is fully subscribed).
- 20.2 PKF (UK) LLP, chartered accountants of Farringdon Place, 20 Farringdon Road, London EC1M 3AP, were the auditors of the Companies in respect of the audited financial information set out in Part IV for the years ended 28 February 2011 and 29 February 2012. BDO LLP, chartered accountants of 55 Baker Street, London W1U 7EU were the auditors of the Companies in respect of the audited financial information for the year ended 28 February 2013. The auditors of the Companies have given unqualified audit reports on the statutory accounts of the Companies for those financial years referred to in Part IV within the meaning of section 495 of the Act. None of those reports contained any statements under sections 405 to 497 of the Act. Statutory accounts of the Companies for those financial years have been delivered to the Registrar of Companies in England and Wales pursuant to the Act. The current auditors of the Companies are BDO LLP in succession to PKF (UK) LLP, which merged into BDP LLP on 2 April 2013.
- 20.3 The Companies shall take all reasonable steps to ensure that its auditors are independent of them and will obtain written confirmation from their auditors that they comply with guidelines on independence issued by their national accountancy and auditing bodies.
- 20.4 Howard Kennedy's office address is at 19 Cavendish Square, London W1A 2AW. Howard Kennedy is regulated by the Financial Conduct Authority and is acting in the capacity as Sponsor to the Companies.
- 20.5 Howard Kennedy has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 20.6 The statements attributed to the Manager in this document have been included in the form and context in which they appear with the consent and authorisation of the Manager. The Manager accepts responsibility for those statements, and to the best of the knowledge and belief of the Manager (which has taken all reasonable care to ensure that such is the case) those statements are in accordance with the facts and do not omit anything likely to affect the import of such information. Details of the Manager and its material interests in the Companies are set out in Part II and in paragraphs 12 and 15 of this Part VI.
- 20.7 The Companies do not assume responsibility for the withholding of tax at source.
- 20.8 The Directors believe that the Offer will result in a significant gross change in each Company, including an increase in its earnings and in the net assets of an amount that is equal to the net proceeds it receives under the Offer. Assuming a full subscription under the Offer, the net proceeds that each Company will receive will equal £9,700,000. Subject to the level of subscription of the Offer, an increase in net assets would have certain consequences, potentially including a reduction in the annual expenses ratio of each Company, increasing the size and range of investments which each Company could undertake and increasing the number of investments each Company would be required to make in order to meet the VCT eligibility rules.
- 20.9 There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on either Company's prospects for at least the current financial year. There have been no important developments, so far as the Companies and the Directors are aware, relating to the development of the Companies or their respective businesses.

- 20.10 A typical investor for whom the Offer is designed is an individual (a retail investor) who is a UK income taxpayer over 18 years of age with an investment range of between £5,000 and £200,000 per tax year who considers the investment policy as detailed in Part III of this document to be attractive.
- 20.11 Shareholders will be informed by means of the half yearly and/or annual report or through a public announcement through a regulatory information service if the investment restrictions which apply to the Companies as VCTs are breached.
- 20.12 Any investment or other asset of any description will be held in the name of Ventus and Ventus 2 and The City Partnership (UK) Limited will, on behalf of the Companies, hold any certificates of title relating to investments made by the Companies.
- 20.13 Certain information in this document has been sourced from third parties and the Companies confirm that this information has been accurately reproduced and, as far as the Companies are aware and able to ascertain from information published by those parties respectively, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 20.14 Ventus and Ventus 2, together with the Neil and Sally Ewart (together the “Sellers”), sold their interests in Craig Wind Farm Limited to Partnerships for Renewables Limited (the “Buyer”) in November 2012. The sale agreement contained a number of warranties from the Sellers to the Buyer regarding Craig Wind Farm Limited, as is common in transactions of this kind. The sale agreement also contains a number of protections in favour of the Sellers. The Sellers have been made aware by the Buyer that the Buyer may bring a claim against the Sellers in respect of a matter which may, in the Buyer’s view, represent a breach of warranty. From the details made available to date, the Sellers and their advisers do not see the basis for a valid warranty claim, although as of the date of this document a claim has not been submitted and therefore the information available to the Sellers in making this assessment is preliminary only. If such a claim were successfully established against the Sellers, it is the Sellers’ expectation that, based upon the information available at the date of this document, the claim would be unlikely to be material in the context of the total net asset value of each Company.

21 Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the registered office of each Company and at the offices of HowardKennedyFsi LLP, 19 Cavendish Square, London W1A 2AW whilst the Offer remains open:

- 21.1 the memorandum of association of each of the Companies and the Articles;
- 21.2 the material contracts referred to in paragraph 12 above;
- 21.3 the annual accounts for the periods ending 28 February 2011, 29 February 2012 and 28 February 2013;
- 21.4 the consent letter referred to in paragraph 20.5 above; and
- 21.5 the Prospectus.

Dated 19 November 2013