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**If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the UK Financial Services and Markets Act 2000 (“FSMA”) or, if you are in a territory outside the United Kingdom, from an appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Shares in the Company, please send this Circular, but not any personalised Form of Proxy or Form of Election, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into Canada, Australia, Japan, New Zealand or the Republic of South Africa or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction. If you have sold or transferred only part of your holding of Shares please consult the bank, stockbroker or other agent through which the sale or transfer was effected.

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## **INVESCO PERPETUAL UK SMALLER COMPANIES INVESTMENT TRUST PLC**

*(incorporated in England and Wales with registered no. 02129187 and registered as an investment company under section 833 of the Companies Act 2006)*

### **Proposed Elective Special Dividend Notice of General Meeting**

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Notice of a General Meeting of the Company to be held at 11.00 a.m. on 5 August 2024 at 43-45 Portman Square, London W1H 6LY is set out at the end of this document. The Special Dividend Offer described in this document is conditional upon (among other things) Shareholder approval of the Special Resolution to be proposed at the General Meeting.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. To be valid, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar, Link Group, by no later than 11.00 a.m. on 1 August 2024. The Form of Proxy can be returned by delivery to PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by completing it online at [www.signalshares.com](http://www.signalshares.com), or in the case of CREST members by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice of General Meeting and the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). If you are an institutional investor, you may also be able to appoint a proxy electronically via the

Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Further instructions relating to the Form of Proxy are set out in the Notice of General Meeting and the Form of Proxy.

The election to receive the Special Dividend is only available to Shareholders on the Register of Members of the Company at 6.00 p.m. on 17 September 2024 in respect of the Shares held at such time. To elect to receive the Special Dividend, Shareholders holding Shares in certificated form should ensure that their completed Forms of Election are returned by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds, LS1 4DL as soon as possible but in any event so as to arrive by no later than 1.00 p.m. on 19 August 2024. Shareholders who hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares in respect of which an election is made with their duly completed Form of Election. Shareholders who hold Shares in uncertificated form (that is, in CREST) should not return a Form of Election, but should transmit the appropriate transfer to escrow instruction ("**TTE Instruction**") in CREST as set out in sub-paragraph 5.2(b) of Part III of this document as soon as possible, but in any event so as to be received by no later than 1.00 p.m. on 19 August 2024.

The Special Dividend Offer is not being made to Restricted Shareholders. In particular, the Special Dividend Offer is not being made, directly or indirectly, in or into, or by the use of mail by any means or instrumentality (including, without limitation, facsimile transmission, internet, telex, telephone and email) of interstate or foreign commerce, or any facility of a national securities exchange of, any Restricted Territory and the Special Dividend Offer cannot be accepted by any such use, means, instrumentality or facility from or within any Restricted Territory. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation to forward this document, the Form of Proxy, the Form of Election and any accompanying documents should read Part III of this document before taking any action.

#### **NOTICE FOR US SHAREHOLDERS**

The Special Dividend Offer relates to securities in a non-US company which is registered in the UK and is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the US in certain material respects. This Circular has been prepared in accordance with UK style and practice for the purpose of complying with English law, and Shareholders resident in the United States ("**US Shareholders**") should read this entire Circular. The financial information relating to the Company, which is available for review on the Company's website, has not been prepared in accordance with generally accepted accounting principles in the US and thus may not be comparable to financial information relating to US companies.

The Special Dividend Offer will be made in the US in accordance with the requirements of Regulation 14E under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**") to the extent applicable and otherwise in accordance with the requirements of UK legislation. Accordingly, the Special Dividend Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments, that may be different from those applicable under US domestic tender offer procedures and law. US Shareholders should note that the Shares are not listed on a US securities exchange and the Company is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the US Securities and Exchange Commission thereunder.

It may be difficult for US Shareholders to enforce certain rights and claims arising in connection with the Special Dividend Offer under US federal securities laws since the Company is located outside the US and most of its officers and directors may reside outside the US. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US federal securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK market practice and pursuant to Rule 14e-5(b) of the US Exchange Act, the Company, its nominees, its brokers (acting as agents) or any of their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, Shares outside the United States, other than pursuant to the Special Dividend Offer, before or during the period in

which the Special Dividend Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom and, if required, will be reported to the Regulatory Information Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/exchange/news/marketnews/market-news-home.html>.

This Circular does not address the US federal income tax considerations applicable to any investment in the Shares or any participation in the Special Dividend Offer. US shareholders should consult their own tax advisers regarding the US federal income tax consequences of any such investment or participation.

This Circular has not been approved, disapproved or otherwise recommended by the US Securities and Exchange Commission or any US state securities commission and such authorities have not confirmed the accuracy or determined the adequacy of this Circular. Any representation to the contrary is a criminal offence in the US.

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## EXPECTED TIMETABLE

Publication of this Circular	19 July 2024
Record date for first interim dividend	1 August 2024
Latest time for receipt of Forms of Proxy	11.00 a.m. on 1 August 2024
General Meeting	11.00 a.m. on 5 August 2024
Results of General Meeting announced	5 August 2024
Latest time for receipt of Forms of Election and TTE Instructions in CREST	1.00 p.m. on 19 August 2024
Payment of first interim dividend	30 August 2024
Special Dividend Record Date	6.00 p.m. on 17 September 2024*
Net Asset Value Certification Date	6.00 p.m. on 17 September 2024*
Announcement of (i) Net Asset Value per Share as at the Net Asset Value Certification Date and (ii) amount of Special Dividend per Share	18 September 2024*
Reduction of Capital Hearing Date	24 September 2024*
Reduction of Capital Effective Date	1 October 2024*
Payment of Special Dividend	8 October 2024*
Despatch of balance Share certificates (in respect of Shares held in certificated form) / Shares not cancelled pursuant to the Special Dividend Offer returned to CREST accounts (in respect of Shares held in uncertificated form)	8 October 2024*

*All references are to London time unless otherwise stated.*

*Each of the times and dates in the expected timetable of events may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through an RIS.*

*\* These dates are provisional only. The exact dates may vary depending on the Court timetable for the Reduction of Capital.*

## PART I

### LETTER FROM THE CHAIRMAN

*(incorporated and registered in England and Wales with registered no. 02129187 and registered as an investment company within the meaning of section 833 of the Companies Act 2006)*

*Directors:*

Bridget Elisabeth Guerin (Chairman)  
Simon Martin Longfellow  
Graham Douglas Paterson  
Michael Jonathan Prentis

*Registered Office:*

Perpetual Park  
Perpetual Park Drive  
Henley On Thames  
Oxfordshire  
RG9 1HH

19 July 2024

Dear Shareholder

### PROPOSED ELECTIVE SPECIAL DIVIDEND NOTICE OF GENERAL MEETING

#### 1. INTRODUCTION

Further to its announcement on 22 May 2024, the Board is pleased to offer a return of capital to Shareholders in respect of up to 10 per cent. of the Company's issued Shares (excluding treasury shares). The return of capital will be effected by way of an elective Special Dividend, together with the cancellation of the Shares on which the dividend is paid. This Circular contains the background to the Special Dividend Proposals, explains the Special Dividend Proposals in detail (including the terms of the Special Dividend Offer and how Shareholders can elect to receive the Special Dividend, if they wish to do so), and seeks approval from Shareholders for the implementation of the Special Dividend Proposals.

The implementation of the Special Dividend Offer is conditional on (among other things) Shareholder approval being obtained at the General Meeting of the Company to be held at 11.00 a.m. on 5 August 2024 at 43-45 Portman Square, London W1H 6LY, or at any adjournment of the meeting, and the Court confirming the proposed Reduction of Capital. The Notice of General Meeting is set out at the end of this Circular.

Shareholders are not obliged to participate in the Special Dividend Offer and the Board is not recommending that Shareholders should participate in the Special Dividend Offer.

Shareholders who do not wish to participate in the Special Dividend Offer should not complete or return a Form of Election or submit a TTE Instruction in CREST. Regardless of whether a Shareholder wishes to participate in the Special Dividend Offer, they should vote on the Special Dividend Proposals to be put to Shareholders at the General Meeting by following the steps set out in the section entitled "Action to be Taken" in paragraph 8 of this Part I.

#### 2. BACKGROUND

On 22 May 2024, the Board announced a proposed elective return of capital to be offered to all Shareholders in respect of up to 10 per cent. of the Company's issued Shares (excluding treasury shares). The Board is cognisant of the discount to Net Asset Value at which the Shares have recently traded and note that the return of funds will give all Shareholders an equal liquidity opportunity at a price close to Net Asset Value.

The return of funds is proposed to be implemented through an elective Special Dividend whereby, on the condition that they give up the corresponding part of their shareholdings, all Shareholders will be offered an opportunity to elect to receive the Special Dividend in respect of each Share so elected, amounting to 97.5 per cent. of the Net Asset Value per Share as at the Net Asset Value Certification Date.

Before deciding on implementing the Special Dividend, the Directors examined various ways of returning capital to Shareholders. Given the small quantum of the capital return and the higher costs

of other potential methods, in particular the cost of stamp duty for a tender offer, and the desire to allow all shareholders the opportunity to participate equally, which an on-market buyback may not have allowed, it was decided to return capital via a Special Dividend.

The Directors believe that it is in the best interests of the Company and Shareholders to support the Special Dividend Proposals. In forming this view, the Directors have taken into account the following considerations:

- the return of funds should only be made if it would not have any material adverse impact upon the strategic objectives of the Company, its financial robustness or its future prospects;
- the return of funds should be enhancing to the Net Asset Value per Share;
- the return of funds, by providing a significant liquidity opportunity to Shareholders who might be considering selling their Shares in the market, may be a factor in helping the Shares trade at a price closer to their underlying Net Asset Value at a future date;
- the return of funds should be made available on fair and identical terms to all Shareholders and on an elective basis only; and
- Shareholders should be provided with choice to reflect their varying circumstances and investment objectives.

Further details of the Special Dividend Proposals, including an explanation of the required Special Resolution and the other conditions to the Special Dividend Offer, can be found in Part II of this Circular. The full terms and conditions of the Special Dividend Offer are set out in Part III of this Circular. Shareholders are not obliged to participate in the Special Dividend Offer. Shareholders who do not wish to do so should not complete or return a Form of Election or submit a TTE Instruction in CREST in respect of their Shares, but should still vote on the Special Dividend Proposals by following the steps set out in the section entitled “Action to be Taken” in paragraph 8 of Part I of this Circular.

#### **Key terms of the Special Dividend Offer**

The key terms of the Special Dividend Offer are as follows:

- the Special Dividend Offer is in respect of up to 10 per cent. of the Company’s issued share capital (excluding treasury shares) as at the Special Dividend Record Date (being 6.00 p.m. on 17 September 2024);
- Shareholders (other than Restricted Shareholders) will be able to decide whether to elect to receive the Special Dividend in respect of their Shares, subject to scaling back in accordance with paragraph 4 of Part III of this Circular, as described in the paragraphs entitled “Terms of the Special Dividend Offer” below;
- the value of the Special Dividend will be the amount per Share which represents 97.5 per cent. of the latest published unaudited Net Asset Value per Share as at the Net Asset Value Certification Date, as calculated by the Company in accordance with paragraph 3 of Part III of this Circular; and
- the Special Dividend will be paid to Shareholders in Sterling and thereafter all Shares on which the Special Dividend is paid will be cancelled for no consideration pursuant to the Reduction of Capital.

### **3. PROPOSAL FOR THE RETURN OF FUNDS THROUGH THE SPECIAL DIVIDEND OFFER**

All Shareholders will have the choice either to:

- do nothing and therefore continue to hold all their Shares and benefit from any increase in capital value delivered by the Company’s future investment performance, alongside any future income from regular dividends on their holding; or
- elect to receive the Special Dividend, which will provide an opportunity to participate in the one-off return of funds by the Company, on the basis that they give up a part of their holding and the entitlement to future regular dividends on such part of their holding.

**All Shareholders are being given the chance to elect to receive the Special Dividend. However, it is up to Shareholders to decide whether they wish to elect to receive the**

**Special Dividend or not, and there is no obligation to do so. Shareholders may make this choice in the light of their own circumstances and individual tax considerations.**

**Shareholders' attention is drawn to Part III of this Circular which, together with the Form of Election in the case of Shares held in certificated form, constitute the terms and conditions of the Special Dividend Offer, and to paragraph 5 of Part II of this Circular, which addresses certain aspects of the UK taxation consequences of electing to receive the Special Dividend. In particular, Shareholders who are individuals should note that the Special Dividend will be wholly treated as income and not as a return of capital gain for UK taxation purposes, with income tax rather than capital gains tax payable as a result. Any Shareholder who is in any doubt about their tax position is recommended to seek appropriate independent professional advice without delay.**

#### *Terms of the Special Dividend Offer*

The Special Dividend Offer is subject to the satisfaction (or, where applicable, waiver) of certain conditions as set out in paragraph 2 of Part III of this Circular, and may be suspended or terminated in certain circumstances as set out in paragraph 9 of Part III of this Circular.

Subject to all conditions of the Special Dividend Offer being satisfied (or waived), Shareholders (other than Restricted Shareholders) will be entitled to receive the Special Dividend on a number of Shares up to their Basic Entitlement. The Basic Entitlement is such number of Shares, rounded down to the nearest whole number, as represents 10 per cent. of the Shares they held as at the Special Dividend Record Date. Shareholders may elect to receive the Special Dividend on a number of Shares in excess of their Basic Entitlement, but any such excess elections will be satisfied *pro rata* in proportion to the amount elected in excess of the Basic Entitlement (rounded down to the nearest whole number of Shares), to the extent that other Shareholders elect to receive the Special Dividend on a number of Shares which is less than their aggregate Basic Entitlement, or do not elect to receive the Special Dividend at all.

The amount of the Special Dividend per Share will represent an amount equal to 97.5 per cent. of the Net Asset Value per Share as at the Net Asset Value Certification Date (expected to be 6.00 p.m. on 17 September 2024). Shareholders should note that this date will be after the end of the Special Dividend election period, so Shareholders will not know the precise amount of the Special Dividend they will receive at the time that they make their elections. The Net Asset Value per Share will be calculated in accordance with the provisions set out in paragraph 3 of Part III of this Circular.

Each Shareholder who has elected to receive the Special Dividend will have their Shares on which the Special Dividend is paid cancelled for no payment pursuant to the Reduction of Capital, thereby reducing the number of Shares owned by the Shareholder. While the Shareholder will receive the Special Dividend on the Shares in respect of which their Election has been accepted, they will not be entitled to receive any dividend declared after the Special Dividend Record Date by the Company on those Shares. For the avoidance of doubt, all Shareholders, whether or not they participate in the Special Dividend Offer, will be entitled to the first interim dividend which will be paid on 30 August 2024.

Shareholders' attention is drawn to Part III of this Circular which, together with the Form of Election in the case of Shares held in certificated form, constitute the terms and conditions of the Special Dividend Offer. Details of how Shareholders may elect to participate in the Special Dividend Offer are set out in paragraph 5 of Part III of this Circular.

**Shareholders should note that all Shares in respect of which Shareholders have made an election to participate in the Special Dividend Offer will be held in escrow by the Receiving Agent, Link Group, and may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Special Dividend Offer.**

**Shareholders who are in any doubt as to the contents of this Circular or as to the action to be taken should immediately consult an appropriately qualified independent financial adviser authorised under FSMA if in the United Kingdom, or from another appropriately authorised independent financial adviser if in a territory outside of the United Kingdom.**



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

The Special Dividend Offer is not being made to Shareholders who are resident in, or citizens of, Restricted Territories. Restricted Shareholders are being excluded from the Special Dividend Offer in order to avoid offending applicable local laws relating to the implementation of the Special Dividend Offer. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Special Dividend Offer.

#### *Financial effects of the Special Dividend Offer*

As the return of funds will be at a discount of 2.5 per cent. to the Net Asset Value per Share, it is expected that, if the Special Dividend Proposals are implemented, the Net Asset Value per Share of the Shares remaining in issue following the Reduction of Capital will be enhanced.

Based on 33,826,929 Shares in issue (excluding treasury shares) and the Company's unaudited Net Asset Value per Share of 521.81p as at 17 July 2024, and assuming that all the Shareholders elect to receive the Special Dividend at the level of their Basic Entitlement, the enhancement of Net Asset Value per Share (net of estimated costs) would be 0.05 per cent. and the aggregate total of returned funds would amount to approximately £17.2 million. If less than £17.2 million is returned to Shareholders, then the enhancement of Net Asset Value per Share would be less than 0.05 per cent.

#### *Funding for the Special Dividend*

The Special Dividend will be financed from realised capital reserves arising from the realisation of part of the Company's portfolio.

#### *Payment*

It is expected that the Net Asset Value Certification Date will be 6.00 p.m. on 17 September 2024 and that the Net Asset Value per Share and the amount of the Special Dividend per Share will be announced on 18 September 2024. Payment of the Special Dividend will occur on 8 October 2024 or as soon as practicable after the Reduction of Capital becomes effective, which is expected to be on or around 1 October 2024.

Further details of the Special Dividend Proposals, including an explanation of the required Special Resolution and the other conditions to the Special Dividend Offer, can be found in Part II of this Circular.

#### **4. GENERAL MEETING**

The Special Dividend Offer is subject, among other things, to Shareholder approval of the Special Resolution at the General Meeting. A notice convening the General Meeting to be held at 11.00 a.m. on 5 August 2024 at 43-45 Portman Square, London, W1H 6LY is set out at the end of this Circular.

At the General Meeting, at which all Shareholders may attend, speak and vote, the Special Resolution will be proposed to authorise the Company to pay the Special Dividend to the Shareholders who have elected to participate in the Special Dividend and to authorise the Reduction of Capital.

If the Special Resolution is not passed, the Special Dividend will not proceed. In order to be passed, the Special Resolution will require the approval of Shareholders representing at least 75 per cent. of the votes cast at the General Meeting.

Voting on the Special Resolution will be conducted by way of a poll rather than a show of hands. The Articles provide that at the General Meeting each Shareholder present in person or by proxy or who is present by a representative shall on a poll have one vote for each Share of which they are a holder.

The quorum for the General Meeting shall be two persons entitled to attend and to vote, each being a Shareholder or a proxy of a Shareholder. If the General Meeting is adjourned and the above-mentioned quorum is not present at such adjourned General Meeting, the quorum for such adjourned General Meeting shall be one.

The Company will give notice of any changes to the arrangements as early as possible before the date of the General Meeting and will publish relevant information on the Company's website and make an announcement via a RIS.

#### *Documents available for inspection*

Copies of the following documents will be available for inspection at [www.invesco.co.uk/ipukscit](http://www.invesco.co.uk/ipukscit) from the date of this Circular until the later of (i) the completion, lapse or termination of the Special Dividend Offer, and (ii) the conclusion of the General Meeting:

- (a) this Circular; and
- (b) the Articles as at the date of this Circular.

## **5. TAXATION**

Shareholders who participate in the Special Dividend Offer may, depending on their individual circumstances, incur a liability to taxation. Shareholders' attention is drawn to paragraph 5 of Part II of this Circular, which addresses certain aspects of the UK taxation consequences of electing to receive the Special Dividend. In particular, Shareholders who are individuals should note that the Special Dividend will be wholly treated as income and not capital gain for UK taxation purposes, with income tax rather than capital gains tax payable as a result. Any Shareholder who is in any doubt about their tax position is recommended to seek appropriate independent professional advice without delay.

## **6. OVERSEAS SHAREHOLDERS**

The attention of Overseas Shareholders (including Restricted Shareholders) is drawn to paragraph 11 of Part III of this Circular. In addition, US Shareholders should read this entire Circular, including the section entitled "Notice for US Shareholders" on page 2 of this Circular. A Restricted Shareholder may be permitted to participate in the Special Dividend Offer if the Company is satisfied that such participation will not constitute or give rise to a breach of applicable securities or other laws.

## **7. RISKS ASSOCIATED WITH THE SPECIAL DIVIDEND PROPOSALS**

Before deciding whether or not to elect to receive the Special Dividend, Shareholders should read this Circular in its entirety and take into account the risks set out in paragraph 2 of Part II of this Circular.

## **8. ACTION TO BE TAKEN**

### *General Meeting*

Shareholders will find enclosed with this Circular a personalised Form of Proxy for use in connection with the General Meeting. Submission of the Form of Proxy will enable your vote to be counted at the General Meeting in the event of your absence.

Shareholders are asked to complete and return the Form of Proxy, in accordance with the instructions printed thereon as soon as possible, and in any event, so as to reach the Registrar, Link Group, by no later than 11.00 a.m. on 1 August 2024. The Form of Proxy can be returned by delivery to PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL or by completing it online at [www.signalshares.com](http://www.signalshares.com), or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice of General Meeting and the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). If you are an institutional investor, you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io).

The lodging of a Form of Proxy (whether in hard copy or electronic form) will not prevent a Shareholder from attending the General Meeting and voting in person should they so wish.

### *Form of Election*

In order to elect to receive the Special Dividend, you should:

- if your Shares are in certificated form, complete the Form of Election in accordance with the instructions printed therein and return the same together with the Share certificates as soon as possible by post or by hand to the Receiving Agent, Link Group, Corporate Actions, at Central Square, 29 Wellington Street, Leeds, LS1 4DL and in any event so as to be received no later than 1.00 p.m. on 19 August 2024; or
- if your Shares are in uncertificated form, complete the TTE Instruction as soon as possible, and in any event so as to be received by Link Group in CREST by no later than 1.00 p.m. on 19 August 2024.

If you hold your Shares through a platform or nominee and you wish to participate in the Special Dividend Offer, you will need to contact the platform or nominee to instruct them to make an Election and, if you wish, to appoint you as a proxy in respect of your Shares in order to attend, speak and vote at the General Meeting.

Further details of the procedure for electing to receive the Special Dividend can be found in paragraph 5 of Part III of this Circular and in the Form of Election.

**If you are in any doubt as to how to complete the Form of Election or the procedure for electing for the Special Dividend please contact Link Group by telephone on 0371 664 0321; calls will be charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The Helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Shareholders should note that Link Group cannot advise them as to whether they should or should not elect to receive the Special Dividend or give personal financial advice.**

## **9. RECOMMENDATION**

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

The Directors believe that the Special Dividend Proposals are fair and reasonable so far as Shareholders as a whole are concerned.

The Directors intend to vote in favour of the Special Resolution at the General Meeting in respect of their own beneficial holdings of Shares which, in aggregate, amount to 30,181 Shares representing approximately 0.1 per cent. of the issued share capital of the Company as at the date of this document (excluding treasury shares). The Directors will not elect to participate in the Special Dividend Offer in respect of their own holdings of Shares.

The Directors make no recommendation to Shareholders as to whether or not they should elect to participate in the Special Dividend Offer. Whether or not Shareholders decide to elect to participate in the Special Dividend Offer will depend, amongst other factors, on their view of the Company's prospects and their own individual circumstances, including their own tax position.

Yours sincerely

**Bridget Guerin**

*Chairman*

## PART II

### FURTHER DETAILS OF THE SPECIAL DIVIDEND PROPOSALS

#### 1. CONDITIONS OF THE SPECIAL DIVIDEND PROPOSALS

The Special Dividend Offer is subject to the Special Resolution having been approved at the General Meeting.

The Special Dividend Offer is also subject to the Court confirming the proposed Reduction of Capital. Although it is entirely a matter of the discretion of the Court, the Board, having regard to the advice received from the Company's legal advisers, considers it reasonable to expect the Court to confirm the proposed Reduction of Capital.

In the unlikely event that the Special Resolution proposed at the General Meeting is approved but the Court does not subsequently confirm the proposed Reduction of Capital, the Special Dividend Offer would lapse and the Company would not pay the Special Dividend. The Board may, in its discretion at any time prior to the Court hearing of the Reduction of Capital, if it determines that to proceed with the Special Dividend Offer could have material adverse consequences for the Company or Shareholders, withdraw the Special Dividend Offer. The Board may also suspend the Special Dividend Offer if, in the opinion of the Board, in certain circumstances, it has become impracticable or inadvisable to continue with the Special Dividend Offer. If the Board does, in such circumstances, decide to suspend or withdraw the Special Dividend Offer, the Board will notify Shareholders as soon as is reasonably practicable following such determination.

The full terms and conditions of the Special Dividend Offer are set out in Part III of this Circular and, in the case of Shareholders holding their Shares in certificated form, the accompanying Form of Election.

#### 2. RISKS ASSOCIATED WITH THE SPECIAL DIVIDEND PROPOSALS

The Directors consider that the following risks should be considered by Shareholders prior to deciding how to cast their votes on the Special Resolution and whether or not to elect to receive the Special Dividend. Shareholders who are in any doubt about the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA without delay.

- Implementation of the Special Dividend Offer is conditional upon, amongst other things, the Special Resolution being passed at the General Meeting. If the Special Resolution is not passed, or if the Special Resolution is passed but the Court does not subsequently confirm the proposed Reduction of Capital, or if any other condition of the Special Dividend Offer is not met, the Special Dividend Offer will lapse and the Company will not pay the Special Dividend. If the Company does not implement the Special Dividend Offer on the terms described in this Circular (including if Shareholders do not approve the Special Resolution required to implement the Special Dividend Offer), then the Company will have incurred costs in connection with the Special Dividend Offer which will not be recoverable. The Board would then consider whether to make alternative proposals for a return of funds to Shareholders, the implementation of which would likely result in additional costs being incurred.
- The cancellation of Shares pursuant to the Reduction of Capital will result in the issued share capital of the Company being reduced and the Company will therefore be smaller, with the funds representing the Special Dividend to the Shareholders who participate in the Special Dividend Offer no longer being available for application in the ordinary course of the Company's business or to meet contingencies. In addition, the fixed costs of the Company would be spread over fewer Shares and the Company's ongoing charges ratio may increase. The lower number of Shares in issue following completion of the Special Dividend Offer may reduce secondary market liquidity in the Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.
- In order to pay the Shareholders who have elected to participate in the Special Dividend, the Company will be required to realise certain of its assets and may use an amount of

its available cash and other liquid funds. The realisation price of assets sold in order to pay the Special Dividend may be lower than the carrying value.

- Shareholders who elect to receive the Special Dividend will receive an amount per Share calculated in accordance with paragraph 3 of Part III of this Circular, which may be less than the price at which they bought their Shares or the price or value at which they might ultimately realise their Shares should they continue to hold them.
- Forms of Election and TTE Instructions, once submitted, are irrevocable. Shareholders should note that all Shares in respect of which Shareholders have made an election to participate in the Special Dividend Offer will be held in escrow by Link Group and may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Special Dividend Offer, and any balance share certificates in respect of certificated Shares will not be despatched before completion of the Special Dividend Offer. The price of the Shares and the Company's Net Asset Value may rise or fall following submission of a Form of Election and/or TTE Instruction.
- Although the UK taxation consequences of the Special Dividend Offer are expected to be as set out in paragraph 5 of Part II of this Circular, such tax treatment may change as a result of changes in law or HMRC custom and practice.

### **3. SPECIAL RESOLUTION**

A Special Resolution (in two parts) will be proposed at the General Meeting.

#### **Part 1**

The memorandum and Articles of the Company currently provide that dividends should be paid to all Shareholders according to the amounts paid up on the Shares. The purpose of Part 1 of the Special Resolution is to enable the Company to pay the Special Dividend not to all Shareholders but only to those Shareholders who validly elect to receive it.

#### **Part 2**

The purpose of Part 2 of the Special Resolution is to approve the Reduction of Capital. Assuming the Court confirms the Reduction of Capital at a hearing expected to be held on 24 September 2024, it is proposed to file the order at Companies House on or about 24 September 2024 so that it becomes effective on 1 October 2024. Upon such order becoming effective, the Reduction of Capital would become effective and the share capital of the Company reduced by the cancellation, for no consideration, of the Shares on which Shareholders had validly elected to receive the Special Dividend.

The recommendation of the Board to Shareholders in respect of the Special Resolution is set out in paragraph 9 of Part I of this Circular. Details of the action which Shareholders are requested to take in advance of the General Meeting are set out in paragraph 8 of Part I of this Circular.

### **4. EFFECT OF THE REDUCTION OF CAPITAL**

The aggregate nominal value of the Shares which are cancelled pursuant to the Reduction of Capital will, subject to the approval of the Court, be transferred to the Company's distributable reserves. If every Shareholder were to elect to receive the Special Dividend on their Basic Entitlement of Shares then, based on the 33,826,929 Shares in issue (excluding treasury shares) as at 17 July 2024 (the latest practicable date prior to the publication of this Circular), the aggregate nominal amount of share capital cancelled would be £676,538.40. The Reduction of Capital is subject to the approval of the Court.

### **5. UK TAXATION**

**The following comments are intended only as a general guide to certain aspects of current UK tax law and HMRC's published practice, both of which are subject to change, possibly with retrospective effect. The comments are not exhaustive, are of a general nature and do not constitute tax advice and apply only to Shareholders who are resident for tax purposes in the UK, who hold their Shares beneficially as an**

investment and who, if they are individuals, are domiciled for tax purposes in the UK. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies, collective investment schemes, or persons who have, or who are deemed to have, acquired their Shares by reason of or in connection with an office or employment. Shareholders who are in any doubt as to their tax position are encouraged to seek independent professional advice.

#### 5.1 Shareholders who do not elect to receive the Special Dividend

There will be no UK tax consequences for Shareholders who do not elect to receive the Special Dividend.

#### 5.2 Taxation of the Special Dividend

The UK tax treatment of the Special Dividend will generally be the same as the tax treatment of other dividends paid by the Company on its Shares. The Company will not be required to withhold tax at source from the Special Dividend.

#### 5.3 Dividends – individuals

An individual Shareholder who is resident in the UK for tax purposes and who elects to receive the Special Dividend will be subject to income tax on the Special Dividend on the basis that UK resident individuals are entitled to a nil rate of income tax on the first £2,500 of dividend income for the tax year 2024-2025 the (“**Nil Rate Amount**”). Any dividend income received by a UK resident individual Shareholder in respect of the Shares in excess of the Nil Rate Amount will be subject to income tax at a rate of 8.75 per cent. to the extent that it would (were it not dividend income) otherwise be charged to income tax at the basic rate; 33.75 per cent. to the extent that it would otherwise be charged to income tax at the higher rate; and 39.35 per cent. to the extent that it would otherwise be charged to the additional rate. For Scottish taxpayers, references to income tax that would otherwise be charged at the basic rate, higher rate and additional rate are to be read as if the individual was not a Scottish taxpayer.

Dividend income that is within the Nil Rate Amount will count towards an individual's basic or higher rate limits. This will therefore affect the level of savings allowance to which they are entitled and the rate of tax that is due on any dividend income. Where an individual has both savings and dividend income, the dividend income is treated as the highest part of an individual's income.

#### 5.4 Dividends – corporations

Shareholders within the charge to UK corporation tax which are “small companies” for the purposes of UK taxation of dividends should not generally be subject to UK corporation tax on dividends paid by the Company on the Shares.

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

UK tax resident corporate Shareholders are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, the dividends will be subject to tax currently at a rate of 25 per cent.

#### 5.5 Taxation of chargeable gains

##### (a) *Cancellation of the Shares on which the Special Dividend has been paid*

Shareholders who have elected to receive the Special Dividend will have their Shares on which the Special Dividend is paid cancelled for no payment pursuant to the Reduction of Capital.

The Reduction of Capital should be regarded as a “reorganisation” for the purposes of UK taxation of chargeable gains. Accordingly, Shareholders should not be treated as having made a disposal of all or part of their holding of Shares by reason of the cancellation of the Shares in respect of which the Special Dividend is paid.

Following the cancellation of such Shares, the Shareholder’s remaining holding of Shares (their “new holding”) should be treated as the same asset as, and as having been acquired at the same time as, the Shareholder’s holding of Shares prior to the cancellation.

(b) *Subsequent disposal of Shares by an individual Shareholder*

A subsequent disposal by an individual Shareholder of all or part of their “new holding” may, depending on the Shareholder’s individual circumstances (and subject to any available exemptions or reliefs), give rise to a chargeable gain or an allowable loss for the purposes of UK capital gains tax.

(c) *Subsequent disposal of Shares by a corporate Shareholder*

A subsequent disposal by a corporate Shareholder of all or part of that Shareholder’s “new holding” may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains. A corporate Shareholder who, alone or with connected persons, holds 10 per cent. or more of the Shares, may be subject to the depreciable transaction rules in section 177 of the Taxation of Chargeable Gains Act 1992 on a subsequent disposal, which could have the effect of reducing or eliminating an allowable loss.

## 5.6 **Stamp Duty and Stamp Duty Reserve Tax**

There will be no stamp duty or stamp duty reserve tax on any element of the proposed Special Dividend or the Reduction of Capital.

## PART III

### TERMS AND CONDITIONS OF THE SPECIAL DIVIDEND OFFER

#### 1. SPECIAL DIVIDEND

- 1.1 All Shareholders (other than Restricted Shareholders) on the Register of Members of the Company on the Special Dividend Record Date may elect to receive the Special Dividend on the terms and subject to the conditions set out in this Circular and, in the case of Shareholders holding Shares in certificated form, the accompanying Form of Election (which, together with this Circular constitute the Special Dividend Offer). Shareholders are not obliged to elect to receive the Special Dividend.
- 1.2 The amount of the Special Dividend will be calculated in accordance with paragraph 3 below and will be paid in accordance with the settlement procedures set out in paragraph 6 below.
- 1.3 Upon the Special Dividend Offer becoming unconditional, and unless the Special Dividend Offer has been suspended, terminated or has lapsed in accordance with the provisions of paragraph 2 or paragraph 9 below, the Company will accept the Elections of Shareholders validly made in accordance with and subject to the terms of this Part III (including the discretion of the Directors described at paragraph 8.1 below), on the following basis:
  - (a) each Shareholder (other than Restricted Shareholders) will be entitled to receive the Special Dividend on the whole number of Shares on which such Shareholder validly elected to receive the Special Dividend, subject to scaling back in accordance with paragraph 4; and
  - (b) each Share on which the Special Dividend is paid will be cancelled pursuant to the Reduction of Capital. No payment will be made to any Shareholder in respect of the cancellation of such Shares.

#### 2. CONDITIONS

- 2.1 The Special Dividend Offer is conditional on the following (together the “**Conditions**”):
  - (a) the passing of the Special Resolution as set out in the Notice of the General Meeting;
  - (b) the Court having approved the Reduction of Capital provided for in the Special Resolution and the Reduction of Capital subsequently becoming effective; and
  - (c) the Special Dividend Offer not having been terminated in accordance with paragraph 9 of this Part III prior to the hearing of the Court to approve the Reduction of Capital referred to in sub-paragraph 2.1(b) above.
- 2.2 The Company will not pay the Special Dividend to any Shareholders pursuant to the Special Dividend Offer unless the Conditions have been satisfied or, if capable of waiver, waived by the Directors. If the Conditions are not satisfied prior to the close of business on 31 December 2024, the Special Dividend Offer, if not then completed, will lapse.

#### 3. CALCULATION OF THE SPECIAL DIVIDEND

- 3.1 The Special Dividend (to be calculated in pounds sterling) shall be 97.5 per cent. of the Net Asset Value per Share (rounded down to four decimal places) calculated in accordance with paragraph 3.2 below.
- 3.2 For the purpose of the Special Dividend Offer, the Net Asset Value per Share will be calculated in accordance with the following provisions:
  - (a) the Company will calculate its net assets as at the Net Asset Value Certification Date which, for the purposes of the Special Dividend, shall mean the value of all the assets (less all the liabilities) of the Company in accordance with the Company’s normal accounting policies.

Neither the Company nor any of the Directors shall be under any liability by reason of the fact that a value believed (after due and careful enquiry) to be appropriate for any quoted or unquoted investment, or any other asset, provision or liability, may be found subsequently not to be so;



- (b) the resulting net asset value, calculated in accordance with paragraph 3.2(a) above, will take account of the amount estimated by the Directors to be the costs of the Special Dividend Proposals which are estimated to amount to a maximum of £0.4 million, which will be borne by all Shareholders;
- (c) the amount resulting from paragraph 3.2(a) shall be the net asset value of the Company for the purposes of the Special Dividend Proposals and shall be conclusive and binding on all Shareholders;
- (d) the amount resulting from paragraph 3.2(a) above will be divided by the total number of Shares in issue on the Net Asset Value Certification Date (excluding treasury shares) to give the Net Asset Value per Share; and
- (e) the Net Asset Value Certification Date is expected to be 6.00 p.m. on 17 September 2024 or, such later date as may be determined by the Company in accordance with the provisions of this Part III.

#### 4. BASIC ENTITLEMENT AND SCALING BACK

4.1 Each Shareholder (other than Restricted Shareholders) whose name appears on the Register of Members of the Company at the Special Dividend Record Date will be entitled to receive the Special Dividend on a number of Shares up to their Basic Entitlement, being such number of Shares, rounded down to the nearest whole number, as represents 10 per cent. of such Shareholder's holding of Shares as at the Special Dividend Record Date.

4.2 Shareholders (other than Restricted Shareholders) may elect to receive the Special Dividend on a number of Shares in excess of their Basic Entitlement. Any such excess elections will be satisfied *pro rata* in proportion to the amount elected in excess of the Basic Entitlement (rounded down to the nearest whole number of Shares) as determined in accordance with paragraph 4.3 below.

4.3 If:

- (a) any Shareholder elects to receive the Special Dividend on a number of Shares in excess of their Basic Entitlement (each an "**Individual Excess Election**" and, in aggregate, the "**Total Excess Elections**"); and
- (b) any Shareholder has elected to receive the Special Dividend in respect of a number of Shares which is less than their Basic Entitlement or has not made an election (the difference between the number of Shares elected and the Basic Entitlement being their "**Unused Basic Entitlement**", and the aggregate of all Unused Basic Entitlements being the "**Aggregate Unused Basic Entitlements**")

then the Aggregate Unused Basic Entitlements will be allocated between the Individual Excess Elections as follows:

- (i) if the Total Excess Elections exceeds the Aggregate Unused Basic Entitlements, all Individual Excess Elections will be scaled back by the application of the following ratio, provided that the total number of Shares on which a Special Dividend will be paid shall not exceed the maximum number of Shares referred to in paragraph 4.5 below:

$$\frac{\text{Aggregate Unused Basic Entitlements}}{\text{Total Excess Elections}}$$

- (ii) if the Total Excess Elections are less than or equal to the Aggregate Unused Basic Entitlements, all Individual Excess Elections will be satisfied in full (subject to the Special Dividend Offer not being terminated or lapsing prior to its completion and to satisfaction of the other terms and conditions set out in this Part III and (where relevant) the Form of Election).

4.4 Registered Shareholders who hold Shares for multiple beneficial owners may decide the allocation between such beneficial owners at their own discretion.

4.5 The maximum number of Shares in respect of which the Company may pay the Special Dividend pursuant to the Special Dividend Offer is 3,382,692 Shares (being equal to 10 per cent. of the Company's issued share capital as at the date of this Circular (excluding treasury

shares), rounded down to the nearest whole number) or, if lower, the number of Shares equal to 10 per cent. of the issued share capital as at the Special Dividend Record Date (excluding treasury shares), rounded down to the nearest whole number).

## **5. PROCEDURE FOR ELECTING FOR THE SPECIAL DIVIDEND**

### **5.1 Overview**

There are different procedures for electing to receive the Special Dividend depending on whether the Shares are held in certificated or uncertificated form (i.e. in CREST).

Shareholders (other than Restricted Shareholders) who hold Shares in certificated form and who wish to participate in the Special Dividend must complete, sign and return the Form of Election in accordance with sub-paragraph 5.2(a) below and the instructions printed on the Form of Election. Shareholders (other than Restricted Shareholders) should complete separate Forms of Election for Shares held in certificated form but under different designations. The share certificate(s) and/or other document(s) of title should be returned with the relevant Form of Election.

Additional Forms of Election are available from Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds, LS1 4DL or by telephone on 0371 664 0321; calls will be charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The Helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Shareholders who hold Shares in uncertificated form (i.e. in CREST) may elect to participate in the Special Dividend by submitting a TTE Instruction in accordance with the procedure set out in sub-paragraph 5.2(b) below. Shareholders should send separate TTE Instructions for Shares held under different member account IDs.

If you hold your Shares through a platform or nominee and you wish to participate in the Special Dividend Offer, you will need to contact the platform or nominee to instruct them to make an Election and, if you wish, to appoint you as a proxy in respect of your Shares in order to attend, speak and vote at the General Meeting.

If Shareholders wish to continue their existing investment in the Company at the same level, they should not return a Form of Election or TTE Instruction.

### **5.2 Return of Forms of Election or TTE Instructions (as applicable)**

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

The completed and signed Form of Election should be delivered by post or by hand to Link Group, Corporate Actions, at Central Square, 29 Wellington Street, Leeds, LS1 4DL, so as to be received by Link Group by no later than 1.00 p.m. on 19 August 2024.

No Forms of Election received after this time will be accepted other than at the sole discretion of the Company. Reply-paid envelopes are enclosed with the Forms of Election. No acknowledgement of receipt of documents will be given. Any Form of Election received in an envelope postmarked from a Restricted Territory or otherwise appearing to the Company or its agents to have been sent from any Restricted Territory may be rejected as an invalid Election. Further provisions relating to Restricted Shareholders are contained in paragraph 11 below.

The completed and signed Form of Election should be accompanied by the relevant Share certificate(s) and/or other document(s) of title. If some or all of your Share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Form of Election should nevertheless be completed, signed and returned as described above so as to be received by Link Group by not later than 1.00 p.m. on 19 August 2024 together with any Share certificate(s) and/or other document(s) of title that you may have available, accompanied by a letter stating that the (remaining) Share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 19 August 2024.

The Receiving Agent will effect such procedures as are required under the Special Dividend Offer.

If you have lost your Share certificate(s) and/or other document(s) of title, you should write to the Registrar, Link Group, at Central Square, 29 Wellington Street, Leeds, LS1 4DL, for a letter of indemnity in respect of the lost Share certificate(s) which, when completed in accordance with the instructions given, should be returned to Link Group at the address referred to at the beginning of this sub-paragraph 5.2(a) so as to be received by no later than 1.00 p.m. on 19 August 2024. A fee may be payable by the Shareholder in respect of each letter of indemnity.

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

If the Shares on which you wish to elect to receive the Special Dividend are held in uncertificated form (that is, in CREST), you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares on which you wish to elect to receive the Special Dividend to an escrow balance, specifying Link Group in its capacity as a Receiving Agent under its Participant ID (referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by no later than 1.00 p.m. on 19 August 2024.

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

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

- the ISIN number for the Shares. This is: GB00B1FL3C76;
- the number of Shares to be transferred to an escrow balance;
- your member account ID;
- your Participant ID;
- the Participant ID of the escrow agent, Link Group, in its capacity as a CREST receiving agent. This is: RA10;
- the member account ID of the escrow agent, Link Group. This is: 22457INV;
- the Corporate Action Number for the Special Dividend Offer. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow. This should be as soon as possible and in any event by no later than 1.00 p.m. on 19 August 2024;
- priority number 80; and
- a contact name and telephone number in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by Link Group as your escrow agent until completion or lapse of the Special Dividend Offer. Subject to the approval of the Court, the Shares on which you have validly elected to receive the Special Dividend will be cancelled pursuant to the Reduction of Capital.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE Instruction relating to your Shares to settle prior to 1.00 p.m. on 19 August 2024. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An appropriate announcement will be made if any of the details concerned in this paragraph 5.2 are altered.

(c) ***Deposits of Shares into, and withdrawals of Shares from, CREST***

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Special Dividend Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Special Dividend Offer (in particular, as regards delivery of Share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 19 August 2024.

### 5.3 **Validity of Forms of Election**

Notwithstanding the powers in paragraph 10.4 below, the Company reserves the right to treat as valid only Forms of Election and TTE Instructions which are received by Link Group no later than 1.00 p.m. on 19 August 2024, and which are accompanied (in the case of Shares held in certificated form) by the relevant Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof or (in the case of Shares held in uncertificated form) by the relevant TTE Instruction, in each case in respect of the entire number of Shares on which the Shareholder wishes to elect to receive the Special Dividend. The Special Dividend Record Date is expected to be 6.00 p.m. on 17 September 2024.

Notwithstanding the completion of a Form of Election or sending of a TTE Instruction, the Special Dividend Offer may be suspended, terminated or lapse in accordance with the terms and conditions set out in this Part III. The decision of the Company as to which Shares have been validly elected to receive the Special Dividend and the number of Shares on which such Shareholders have validly elected to receive the Special Dividend shall be conclusive and binding on all Shareholders.

If you are in any doubt as to how to complete the Form of Election or the procedure for electing for the Special Dividend, please contact Link Group by telephone on 0371 664 0321; calls will be charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The Helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. You are reminded that, if you are a CREST sponsored member, you should contact your CREST Sponsor before taking any action.

## 6. **ANNOUNCEMENT AND SETTLEMENT**

6.1 Settlement of the payment to which any Shareholder is entitled pursuant to Elections accepted by the Company is expected to be made as soon as practicable after the Reduction of Capital Effective Date, anticipated to be 1 October 2024.

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

Where an accepted Election relates to Shares held in certificated form, cheques for the amount due will be dispatched by Link Group by first class post to the person or agent whose name and address is set out in the pre-printed information on page 3 of the Form of Election (or, if relevant, Box 5 of the Form of Election) at the Shareholder's own risk. All cash payments will be made in Sterling by cheque drawn on a branch of a UK clearing bank.

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

Where an accepted Election relates to Shares held in uncertificated form in CREST, the amount due will be paid by means of CREST by Link Group on behalf of the Company procuring the creation of a CREST payment obligation in favour of the electing Shareholder's payment bank in accordance with the CREST payment arrangements.

6.2 The payment of any amounts to Shareholders for Shares pursuant to the Special Dividend Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) after timely receipt by the Receiving Agent of certificates and/or other requisite documents evidencing such Shares, a properly completed and duly executed Form of Election and any other documents required by the Form of Election or this Part III.

6.3 Following the cancellation of part of a validly electing Shareholder's holding of Shares:

- (a) where the Shares are held in certificated form, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Shares; or
- (b) where appropriate, in respect of any uncanceled Shares held in uncertificated form (that is, in CREST) by the escrow agent, such uncanceled Shares will be transferred by the escrow agent by means of a TFE Instruction to the original available balance from which those Shares came.

**7. FORM OF ELECTION – FOR CERTIFICATED HOLDERS ONLY**

7.1 Each Shareholder by whom, or on whose behalf, a Form of Election is executed irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind them and their personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the Form of Election shall constitute an irrevocable consent that the number of Shares inserted in Box 2 of the Form of Election, subject to any scaling back in accordance with paragraph 4 above, shall be cancelled pursuant to the Reduction of Capital and that no consideration shall be paid to the Shareholder as a result of such cancellation;
- (b) that such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Company or any of its Directors or any person nominated by the Company in the proper exercise of their powers and/or authorities hereunder;
- (c) that the Shareholder is the sole legal and beneficial owner of the Shares in certificated form in respect of which they are electing or are deemed to be electing to receive the Special Dividend, or they are the legal owner of such Shares and have the necessary capacity and authority to execute the Form of Election;
- (d) that such Shareholder holding Shares in certificated form will deliver to Link Group their Share certificate(s) and/or other document(s) of title in respect of the Shares referred to in paragraph 7.1(a) above, or an indemnity acceptable to the Company in lieu thereof, or will procure the delivery of such document(s) to Link Group, as soon as possible thereafter and, in any event by no later than 1.00 p.m. on 19 August 2024;
- (e) that if for any reason any Shares in uncertificated form in respect of which an Election to receive the Special Dividend has been made are converted to certificated form, such Shareholder will immediately deliver or procure the immediate delivery of the Share certificate(s) and/or other document(s) of title in respect of all such Shares as are so converted to Link Group, and, in which case, such Shareholder will be deemed to give the warranty referred to in paragraph 7.1(c) above;
- (f) that the execution of the Form of Election shall constitute the irrevocable appointment of any Director as such Shareholder's attorney and agent, and an irrevocable instruction to the attorney to complete and execute all or any contracts and/ or other documents at the attorney's discretion in relation to the Shares referred to in paragraph 7.1(a) above for the cancellation of such Shares pursuant to the Reduction of Capital and to do all such other acts and things as may, in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Special Dividend Offer;

- (g) that such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable, in each case to complete the cancellation of the Shares pursuant to the Reduction of Capital and/or to perfect any of the authorities expressed to be given hereunder;
- (h) that such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and confirms that the Special Dividend Offer may be made available to them under the laws of the relevant jurisdiction;
- (i) that such Shareholder has not received or sent copies or originals of this document, the Form of Election or any related documents in, into or from Canada, Australia, Japan, New Zealand or the Republic of South Africa and has not otherwise utilised in connection with the Special Dividend Offer, directly or indirectly, the mails or any means of instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange of Canada, Australia, Japan, New Zealand or the Republic of South Africa that the Form of Election has not been mailed or otherwise sent in, into or from Canada, Australia, Republic of South Africa, New Zealand or Japan and that such Shareholder is electing to receive the Special Dividend from outside Canada, Australia, Japan, New Zealand and the Republic of South Africa;
- (j) unless "NO" is put in Box 4 of the Form of Election, that such Shareholder:
  - (i) has not received or sent copies or originals of this document, the Form of Election or any related documents in, into or from Canada, Australia, Japan, New Zealand or the Republic of South Africa, has not utilised in connection with the Special Dividend Offer, directly or indirectly, the mails or any means of instrumentality (including, without limitation, by means of facsimile or electronic transmission, telephone or internet) of interstate or foreign commerce of, or any facilities of a securities exchange of Canada, Australia, Japan, New Zealand or the Republic of South Africa, was outside Canada, Australia, Japan, New Zealand and the Republic of South Africa when the Form of Election was delivered and at the time of electing to receive the Special Dividend, and is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given all instructions with respect to the Special Dividend Offer from outside Canada, Australia, Japan, New Zealand and the Republic of South Africa;
  - (ii) the Form of Election has not been mailed or otherwise sent in, into or from Canada, Australia, Japan, New Zealand or the Republic of South Africa or signed in any of those jurisdictions and such shareholder is electing to receive the Special Dividend from outside Canada, Australia, Japan, New Zealand and the Republic of South Africa;
- (k) that the despatch of a cheque in respect of the Special Dividend to a Shareholder at their registered address or such other address as is specified in the Form of Election will constitute a complete discharge by the Company of its obligations to make such payment to such Shareholder;
- (l) that execution the Form of Election takes effect as a deed;
- (m) that execution of the Form of Election constitutes such Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Special Dividend Offer and the Reduction of Capital or the Form of Election; and
- (n) that a reference in this paragraph 7 to a Shareholder includes a reference to the person or persons executing the Form of Election and in the event of more than one person executing a Form of Election, the provisions of this paragraph will apply to them jointly and to each of them.

## **8. ADDITIONAL PROVISIONS**

- 8.1 In respect of Shares held in certificated form, the Directors will determine all questions as to form and validity (including the timing of receipt) of any Form of Election at their absolute discretion. Without limitation, the Directors may, at their discretion, treat as valid or reject any Form of Election which is not received by the relevant time, which is not entirely complete and in order, and/or which is not accompanied by the relevant Share Certificate(s) and/or other document(s) of title. The Directors may also correct any manifest error in any Form of Election. Neither the Company nor any other person will be under any duty to give notice of any defect or irregularity in any Form of Election or incur any liability for failure to give any such notification.
- 8.2 Subject to the provisions of paragraph 8.10 below, unless suspended, lapsed or terminated in accordance with the provisions of this Part III, the Special Dividend Offer will close at 1.00 p.m. on 19 August 2024. No Form of Election, Share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted. It is expected that on 18 September 2024 the Company will make a public announcement of the (i) total number of Shares which have been elected to receive the Special Dividend; (ii) the Net Asset Value per Share as at the Net Asset Value Certification Date calculated in accordance with the provisions of paragraph 3.2 above; and (iii) the amount of the Special Dividend per Share.
- 8.3 Each Shareholder who elects Shares to participate in the Special Dividend will thereby be deemed to have agreed that, in consideration for the Company agreeing to process their election, such Shareholder will not revoke their election or withdraw their Shares. Shareholders should note that all Shares in respect of which Shareholders have made an election to participate in the Special Dividend Offer will be held in escrow by the Registrar and may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Special Dividend Offer.
- 8.4 Any omission to dispatch this Circular or the Form of Election or any notice required to be despatched under the terms of the Special Dividend Offer to, or any failure to receive the same by, any person entitled to participate in the Special Dividend Offer shall not invalidate the Special Dividend Offer in any way or create any implication that the Special Dividend Offer has not been made to any such person.
- 8.5 No acknowledgement of receipt of any Form of Election, TTE Instruction, Share certificate(s) and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.
- 8.6 All powers of attorney and authorities on the terms conferred by or referred to in this Part III or in the Form of Election are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 8.7 All elections in respect of Shares in certificated form to participate in the Special Dividend, subject to paragraphs 11 and 12 below, must be made on the relevant prescribed Form of Election, duly completed in accordance with the instructions set out thereon which constitute part of the terms of the Special Dividend Offer. An Election in respect of Shares in certificated form will only be valid when the procedures contained in these terms and conditions and in the Form of Election are complied with.
- 8.8 The Special Dividend Offer and all Elections will be governed by and construed in accordance with English law. Delivery or posting of a Form of Election or the transmission of a TTE Instruction in CREST will constitute submission to the jurisdiction of the Court.
- 8.9 The decision of the Company as to which Shares will receive the Special Dividend will be conclusive and binding on all Shareholders.
- 8.10 The Company reserves the absolute right to extend the time by which Shareholders must submit their Forms of Election in order to participate in the Special Dividend Offer, together with any and all other times or deadlines to which the Special Dividend Offer is subject.

- 8.11 Nominees who hold Shares for the account of others, such as brokers, trustees or depositories for securities, should notify, and, after having regard to the provisions of paragraph 11 of this Part III, distribute this document and the Form of Election and Form of Proxy to the respective beneficial owners of such Shares as soon as possible to ascertain such beneficial owners' intentions and to obtain instructions with respect to the Special Dividend Offer. If a beneficial owner so instructs, the nominee should complete the Form of Election and submit it to Link Group. In addition, beneficial owners should contact the nominee and request the nominee to effect elections in accordance with the beneficial owner's instructions.
- 8.12 If the Special Dividend Offer lapses or is terminated, all documents lodged pursuant to the Special Dividend Offer will be returned or sent promptly by post, within 5 Business Days of the Special Dividend Offer terminating or lapsing, to the person or agent whose name and address is set out in the pre-printed information on page 3 of the Form of Election (or, if relevant, Box 5 of the Form of Election). In the case of Shares held in uncertificated form, Link Group, in its capacity as the escrow agent will, within 5 Business Days of the Special Dividend Offer terminating or lapsing, give instructions to CREST to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Special Dividend Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances, Forms of Election will cease to have any effect.
- 8.13 In the case of Shares held in certificated form, the instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Form of Election shall constitute part of the terms of the Special Dividend Offer.
- 8.14 Further copies of this Circular and copies of the Form of Election may be obtained by registered Shareholders on request from Link Group at the addresses set out on page 1 of this Circular.
- 8.15 The definitions set out in Part IV of this Circular apply to the terms and conditions set out in this Part III.

## **9. SUSPENSION OR TERMINATION OF THE SPECIAL DIVIDEND OFFER**

- 9.1 If at any time prior to the Court hearing of the application for the Reduction of Capital there shall occur, in the opinion of the Board, any change in national or international financial, economic, political or market conditions, in the banking or settlement system to which the Company is subject, or in the Court timetable for the Reduction of Capital which, in the opinion of the Board, renders the Special Dividend Offer impracticable or inadvisable, the Company shall be entitled, at its complete discretion, by a public announcement no later than 1.00 p.m. on the Business Day following such determination, to suspend the Special Dividend Offer. In such event, the Net Asset Value Certification Date shall be extended to such date as the Company may, in its absolute discretion, determine. Valid elections received from Shareholders shall remain in force and shall not be capable of being withdrawn. If, following the suspension of the Special Dividend Offer, in accordance with the terms of this paragraph 9.1, the Conditions as set out in paragraph 2 of this Part III have not been satisfied prior to the close of business on 31 December 2024, then the Special Dividend Offer will lapse.
- 9.2 If the Board shall at any time prior to the Court hearing of the Reduction of Capital determine that, in its opinion, the completion of the Special Dividend Offer would have material adverse consequences for the Company or the Shareholders, the Company shall be entitled at its complete discretion by a public announcement no later than 1.00 p.m. on the Business Day following such determination and by subsequent written notice to Shareholders to withdraw the Special Dividend Offer, and in such event the Special Dividend Offer shall cease and determine absolutely and the Reduction of Capital will not proceed.

## **10. MISCELLANEOUS**

- 10.1 Any changes to the terms, or any suspension, extension or termination of the Special Dividend Offer will be followed as promptly as practicable by a public announcement thereof and, in any event, by no later than 1.00 p.m. on the Business Day following the date of such changes. In this case, the definitions, times and dates mentioned throughout this Circular shall be deemed



to be adjusted accordingly. Such an announcement will be released to an RIS. References to the making of a public announcement by the Company includes the release of an announcement to an RIS (or otherwise) on behalf of the Company.

- 10.2 Electing Shareholders will not be obliged to pay brokerage fees or commissions on the cancellation of Shares pursuant to the Reduction of Capital.
- 10.3 Except as contained in this Circular, no person has been authorised to give any information or make any representations with respect to the Company or the Special Dividend Offer and, if given or made, such information or representations should not be relied on as having been authorised by the Company. Under no circumstances should the delivery of this Circular or the delivery of any payment pursuant to the Special Dividend Offer create any implication that there has been no change in the assets, liabilities, prospects, business or affairs of the Company since the date of this Circular.
- 10.4 The Company reserves the absolute right to inspect (either itself or through its agents) all Forms of Election and TTE Instructions and may consider void and reject any election that does not in the Company's sole judgement (acting reasonably) meet the requirements of the Special Dividend Offer. The Company also reserves the absolute right to waive any defect or irregularity in any election pursuant to the Special Dividend Offer, including any Form of Election or TTE Instruction (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Shares held in certificated form) the related Share certificate(s) and/or other document(s) of title or an indemnity acceptable to the Company in lieu thereof or (in the case of Shares held in uncertificated form) the relevant TTE Instruction. In that event, however, the amount due under the Special Dividend Offer will only be dispatched when the Form of Election or TTE Instruction (as appropriate) is entirely in order and (in the case of Shares held in certificated form) the Share certificate(s) and/or other document(s) of title or indemnities satisfactory to the Company has/have been received. None of the Company, Link Group, or any other person will be under any duty to give notification of any defects or irregularities in the elections (including in any Form of Election or TTE Instruction) or incur any liability for failure to give any such notification. The Company also reserves the right to treat as valid Forms of Election or TTE Instructions received by Link Group after the deadline specified for receipt of Forms of Election and TTE Instructions.
- 10.5 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this Circular.

## **11. RESTRICTED SHAREHOLDERS AND OTHER OVERSEAS SHAREHOLDERS**

- 11.1 The provisions of this paragraph 11 and any other terms of the Special Dividend Offer relating to Restricted Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company but only if the Company is satisfied that such a waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other laws.
- 11.2 The making of the Special Dividend Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or to custodians, nominees or trustees for citizens, nationals or residents of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Overseas Shareholder wishing to elect to receive the Special Dividend to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Shareholders will be responsible for the payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Special Dividend Offer or to authorise the extension of the Special Dividend Offer or the distribution of the Forms of Election in any territory outside the United Kingdom. In particular, the Special Dividend Offer is not being made, directly or indirectly, in or into, or by use of the mails of or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of or any facility of a national securities exchange of a

Restricted Territory and the Special Dividend Offer cannot be accepted by any such means, instrumentality or facility of or from within a Restricted Territory.

- 11.3 Accordingly, save as provided in the next sentence, copies of this Circular, the Form of Election and any related documents are not being, and must not be, mailed, or otherwise distributed in or into a Restricted Territory, including to Shareholders with registered addresses in Restricted Territories. However, copies of this Circular may be mailed or otherwise distributed to Shareholders in a Restricted Territory or to persons who the Company knows to be custodians, nominees or trustees holding Shares for persons in Restricted Territories for the purpose of voting at the General Meeting only. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute or send them in or into a Restricted Territory or use such mails or any such means, instrumentality or facility in connection with the Special Dividend Offer, as so doing will render invalid any related purported election pursuant to the Special Dividend Offer. Persons wishing to elect to receive the Special Dividend should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to an election to receive the Special Dividend. Envelopes containing Forms of Election should not be postmarked from a Restricted Territory or otherwise dispatched to or from a Restricted Territory and electing Shareholders must provide addresses outside the Restricted Territories for the remittance of cash or return of Forms of Election.
- 11.4 A Shareholder will be deemed not to have elected to receive the Special Dividend if: (i) such Shareholder is unable to make the representations and warranties set out in each of paragraphs 7.1(h), 7.1(i), and 7.1(j) above; or (ii) such Shareholder inserts in Box 5 of the Form of Election the name and address of a person or agent in a Restricted Territory to whom they wish the consideration to which such Shareholder is entitled under the Special Dividend Offer to be sent; or (iii) the Form of Election received from such Shareholder is in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been sent from, a Restricted Territory. The Company reserves the right, in its absolute discretion, to investigate, in relation to any election, whether the representations and warranties referred to in each of paragraphs 7.1(h), 7.1(i) and 7.1(j) above given by any Shareholder are correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representations and warranties are not correct, such election shall not be valid.
- 11.5 If in connection with making the Special Dividend Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, the Form of Election or any related offering documents in or into a Restricted Territory or uses the mails of or any means or instrumentality (including, without limitation, facsimile transmission, telex, internet, telephone and email) of interstate or foreign commerce of or any facility of a national securities exchange in, a Restricted Territory in connection with such forwarding, such person should: (i) inform the recipient of such fact; (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and (iii) draw the attention of the recipient to this paragraph 11.
- 11.6 The provisions of this paragraph 11 supersede any terms of the Special Dividend Offer inconsistent herewith.
- 11.7 Overseas Shareholders (who are not Restricted Shareholders) should inform themselves about and observe any applicable legal or regulatory requirements. In addition, US Shareholders should read this entire Circular, including the section entitled "Notice for US Shareholders" on page 2. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

## **12. MODIFICATIONS**

The terms of the Special Dividend Offer shall have effect subject to such non-material modifications or additions as the Company may from time to time approve in writing. The times and dates referred to in this Circular may be amended by the Company. Any such amendment shall be publicly announced as promptly as practicable by way of an RIS.

## PART IV

### DEFINITIONS

The following definitions apply throughout this Circular unless the context requires otherwise.

<b>“Act”</b>	the Companies Act 2006, as amended
<b>“Aggregate Unused Basic Entitlements”</b>	has the meaning given in paragraph 4.3 of Part III of this Circular
<b>“Articles”</b>	the articles of association of the Company
<b>“Basic Entitlement”</b>	the entitlement of a Shareholder under the Special Dividend to elect for the Special Dividend in respect of up to 10 per cent. of the Shares registered in that Shareholder’s name as at the Special Dividend Record Date, rounded down to the nearest whole number
<b>“Board” or “Directors”</b>	the directors of the Company or any duly constituted committee thereof
<b>“Business Day”</b>	any day other than a Saturday, Sunday or public holiday in England and Wales
<b>“certificated” or “in certificated form”</b>	not in uncertificated form
<b>“Circular”</b>	this circular issued by the Company
<b>“Company Secretary”</b>	Invesco Asset Management Limited
<b>“Company”</b>	Invesco Perpetual UK Smaller Companies Investment Trust plc
<b>“Conditions”</b>	has the meaning given in paragraph of 2.1 of Part III of this Circular
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“CREST”</b>	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
<b>“CREST Manual”</b>	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>“CREST Sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
<b>“Dividend Value”</b>	the price per Share at which Shares will receive a Special Dividend pursuant to the Special Dividend Offer as provided in paragraph 3 of Part III of this Circular and which will be expressed in Sterling (rounded down to four decimal places)
<b>“Election”</b>	a valid election by a Shareholder to receive the Special Dividend
<b>“Euroclear”</b>	Euroclear UK & International Limited, the operator of CREST
<b>“FCA”</b>	the Financial Conduct Authority
<b>“Form of Election”</b>	the form of election accompanying this Circular which certificated Shareholders must complete in order to elect to receive the Special Dividend.
<b>“Form of Proxy”</b>	the personalised form of proxy provided with this Circular for use by Shareholders in connection with the General Meeting

<b>“FSMA”</b>	Financial Services and Markets Act 2000
<b>“General Meeting”</b>	the general meeting of the Company to consider the Special Resolution, convened for 11.00 a.m. on 5 August 2024, notice of which is set out at the end of this Circular
<b>“HMRC”</b>	HM Revenue & Customs
<b>“Individual Excess Election”</b>	has the meaning given in paragraph 4.3 of Part III of this Circular
<b>“JPMC”</b>	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
<b>“Link Group”</b>	a trading name of Link Market Services Limited, a private limited company incorporated in England with registered number 02605568 whose registered office is at Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Manager” or “IFML”</b>	Invesco Fund Managers Limited
<b>“member account ID”</b>	the identification code or number attached to any member account in CREST
<b>“NAV per Share” or “Net Asset Value per Share”</b>	the Net Asset Value divided by the number of Shares in issue (other than Shares held in treasury)
<b>“NAV” or “Net Asset Value”</b>	the cum income net asset value of the Company as calculated in accordance with the Company’s normal accounting policies
<b>“Net Asset Value Certification Date”</b>	6.00 p.m. on 17 September 2024 or such other date as may be determined by the Company, being the day on which the Company calculates the value of the Special Dividend
<b>“Nominated Person”</b>	any person receiving a copy of the Notice of General Meeting as a person nominated by a member to enjoy information rights under section 146 of the Act
<b>“Notice of General Meeting”</b>	the notice of the General Meeting as set out at the end of this Circular
<b>“Overseas Shareholders”</b>	Shareholders who are resident in, or citizens of, territories outside the United Kingdom
<b>“Participant ID”</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>“PRA”</b>	Prudential Regulation Authority
<b>“Receiving Agent”</b>	Link Group in its capacity as the Company’s receiving agent
<b>“Reduction of Capital Effective Date”</b>	the date on which the order confirming the Reduction of Capital becomes effective having been filed with the Registrar of Companies (expected to be 1 October 2024)
<b>“Reduction of Capital Hearing Date”</b>	the date of the Court hearing to confirm the Reduction of Capital (expected to be 24 September 2024)
<b>“Reduction of Capital”</b>	the Court approved cancellation of those Shares on which Shareholders have validly elected to receive the Special Dividend
<b>“Register of Members” or “Register”</b>	the register of Shareholders
<b>“Registrar”</b>	Link Group in its capacity as the Company’s registrar
<b>“Restricted Shareholders”</b>	Shareholders who are resident in, or citizens of a Restricted Territory

<b>“Restricted Territories”</b>	Australia, Canada, Japan, New Zealand and the Republic of South Africa or any other jurisdiction in which the Special Dividend Offer may result in the contravention of any registration or other legal requirement of such jurisdiction or contravention of any legal requirement of the UK
<b>“RIS”</b>	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
<b>“Shareholder”</b>	a holder of one or more Shares, and <b>“Shareholders”</b> shall be construed accordingly
<b>“Shares”</b>	ordinary shares of 20 pence each in the Company
<b>“Special Dividend”</b>	the special dividend to be paid by the Company on the terms and conditions of the Special Dividend Offer to those Shareholders who validly elect to receive the same
<b>“Special Dividend Offer”</b>	the offer by the Company to pay the Special Dividend on the terms and conditions set out in this Circular and the Form of Election
<b>“Special Dividend Proposals”</b>	the proposals referred to in this Circular, relating to the Company’s proposed Special Dividend and Reduction of Capital
<b>“Special Dividend Record Date”</b>	6.00 p.m. on 17 September 2024
<b>“Special Resolution”</b>	the resolution set out in the Notice of General Meeting which will be proposed as a special resolution
<b>“Sterling” or “£”</b>	the lawful currency of the United Kingdom
<b>“TFE Instruction”</b>	a transfer from escrow instruction (as defined by the CREST Manual)
<b>“Total Excess Elections”</b>	has the meaning given in paragraph 4.3 of Part III of this Circular
<b>“TTE Instruction”</b>	a transfer to escrow instruction (as defined by the CREST Manual)
<b>“uncertificated” or “in uncertificated form”</b>	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“Unused Basic Entitlement”</b>	has the meaning given in paragraph 4.3 of Part III of this Circular
<b>“US Exchange Act”</b>	the US Securities Exchange Act of 1934, as amended
<b>“US Shareholders”</b>	Shareholders resident in the United States
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction

## PART V

### NOTICE OF GENERAL MEETING

#### INVESCO PERPETUAL UK SMALLER COMPANIES INVESTMENT TRUST PLC

(incorporated in England and Wales with registered no. 02129187 and registered as an investment company under section 833 of the Companies Act 2006)

**NOTICE IS HEREBY GIVEN** that a general meeting (the “**General Meeting**”) of Invesco Perpetual UK Smaller Companies Investment Trust plc (the “**Company**”) will be held at 43-45 Portman Square, London W1H 6LY at 11.00 a.m. on 5 August 2024 for the purpose of considering and, if thought fit, passing the following resolution, as a special resolution:

#### SPECIAL RESOLUTION

THAT:

##### Part 1

notwithstanding any provisions of the Articles of Association of the Company, the board of directors be and is hereby authorised to declare and pay an interim dividend per ordinary share equal to 97.5 per cent of the Net Asset Value per Share (as such term is defined in the circular to shareholders dated 19 July 2024, of which notice of this General Meeting forms part (the “**Circular**”)) to those holders of ordinary shares in the Company who are on the Register of Members of the Company as at the Special Dividend Record Date (as defined in the Circular) and who have validly elected to receive such dividend in accordance with and subject to the satisfaction of the terms and conditions of the Special Dividend Offer (as defined in the Circular) set out in the Circular; and

##### Part 2

conditional upon the approval of the Court of England and Wales, the ordinary shares in the Company in respect of which valid elections are received for the Special Dividend (as defined in the Circular) from the holders of such ordinary shares be cancelled for no consideration.

#### BY ORDER OF THE BOARD

**Invesco Asset Management Limited**  
*Company Secretary*

*Registered Office:*  
Perpetual Park,  
Perpetual Park Drive  
Henley-On-Thames  
Oxfordshire  
RG9 1HH

Date: 19 July 2024

## Notes:

These notes should be read in conjunction with the notes on the Form of Proxy. Terms used in these notes shall have the meaning attributed to them in the Circular of which this Notice of General Meeting forms part, unless the context otherwise requires.

- (a) A member entitled to attend, speak and vote at the meeting convened by this Notice of General Meeting is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend, speak and vote in his or her place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
- (b) To appoint a proxy you may use the Form of Proxy enclosed with this Circular. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the same, must be completed and returned to the office of the Registrar, Link Group, in accordance with the instructions printed thereon as soon as possible and in any event by 11.00 a.m. on 1 August 2024. Amended instructions must also be received by the Registrar, Link Group, by the deadline for receipt of proxies. Alternatively you can vote or appoint a proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com). You will be asked to enter the Investor Code (IVC), which can be found on your Share certificate, on your personalised Form of Election or by contacting Link Group's helpline on 0371 664 0321. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales; calls will be charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The latest time for the submission of proxy votes electronically is 11.00 a.m. on 1 August 2024.
- (c) Completion and return of the Form of Proxy would not usually prevent a member from attending the meeting and voting in person. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
- (d) Any person (a "**Nominated Person**") receiving a copy of this Notice of General Meeting as a person nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (the "**Act**") should note that the provisions in Notes (a) and (b) above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such agreement to give instructions to the member as to the exercise of voting rights at the meeting.
- (e) Nominated persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy the information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from the Nominated Person.
- (f) Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered in the Register of Members of the Company by not later than 6.00 p.m. two working days prior to the date fixed for the meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at such time. If the meeting is adjourned, the time by which a person must be entered on the Register of Members of the Company in order to have the right to attend and vote at the adjourned meeting is 6.00 p.m. two working days prior to the date of the adjournment. Changes to the Register of Members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.

- (g) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the relevant joint holding.
- (h) Shareholders who hold their Shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Registrar, Link Group, by 11.00 a.m. on 1 August 2024. Instructions on how to vote through CREST can be found by accessing the following website: [euroclear.com](http://euroclear.com). Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.
- (i) If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Link Group (ID number RA10) by 11.00 a.m. on 1 August 2024. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the Registrar is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST Sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Proxymity Voting – if you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar, Link Group. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 11.00 a.m. on 1 August 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

- (j) Any corporation which is a member may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same Shares.
- (k) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes subject of those proxies are cast and voting rights in respect of those discretionary proxies, when added to the interest in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that she has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the FCA. As a result, any member holding 3 per cent. or more of the voting rights in the Company, who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the FCA.
- (l) Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. A shareholder may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under section 319A of the Act, the Company must answer any question a shareholder asks relating to the business being dealt with at the meeting, unless (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.



- (m) Further information regarding the meeting which the Company is required by section 311A of the Act to publish on a website in advance of the meeting (including this Notice of General Meeting), can be accessed at [www.invesco.co.uk/ipukscit](http://www.invesco.co.uk/ipukscit).
- (n) As at 18 July 2024 (being the last Business Day prior to the printing of this Notice of General Meeting), the Company's issued share capital comprised 53,209,084 Shares (of which 19,382,155 are held in treasury). On a poll the Shares carry one vote each. Therefore, the total number of voting rights in the Company as at 18 July 2024 are 33,826,929.
- (o) You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

