

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser, authorised under the Financial Services and Markets Act 2000 (FSMA).

If you have sold or otherwise transferred all of your Ordinary Shares in BlackRock Greater Europe Investment Trust plc, you should pass this document, together with all of the accompanying documents, as soon as possible, to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. This Tender Circular and all accompanying documents should not, however, be forwarded or transmitted in or into any of the Restricted Territories.

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

Apart from the responsibilities and liabilities, if any, which may be imposed on Cenkos Securities plc by FSMA or the regulatory regime established thereunder, Cenkos Securities plc accepts no responsibility whatsoever for the contents of this document nor for any other statement made or purported to be made by it or on its behalf in connection with the Company or the Tender Offer. Cenkos Securities plc accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. Cenkos Securities plc has given and not withdrawn its written consent to the inclusion of its letter in Part II hereof and to the references to its name in the form and context in which it is included in this document.

BLACKROCK GREATER EUROPE INVESTMENT TRUST PLC

Tender Offer by Cenkos Securities plc to purchase up to 20 per cent. of the Ordinary Shares in issue of BlackRock Greater Europe Investment Trust plc

The Tender Offer will close at 1.00 p.m. on 28 November 2018 and will only be available to Shareholders on the Register at the close of business on 18 September 2018. Shareholders holding Ordinary Shares in certificated form and who wish to tender Ordinary Shares for purchase in the Tender Offer should ensure that their completed Tender Forms are returned by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to arrive by no later than 1.00 p.m. on 28 November 2018. Shareholders who hold their Ordinary Shares in certificated form should also return their share certificate(s) and/or other documents of title in respect of the Ordinary Shares tendered. Shareholders who hold Ordinary Shares in uncertificated form (that is, in CREST) should not return a Tender Form but should transmit the appropriate TTE Instruction in CREST as set out in sub-paragraph 3.2(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 28 November 2018.

The Tender Offer is not being made to Restricted Shareholders. In particular, the Tender Offer is not being made, directly or indirectly, in or into or by the use of mails by any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange of the United States, nor is it being made directly or indirectly in or into Canada, Australia or Japan and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States, Canada, Australia or Japan.

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EXPECTED TIMETABLE OF EVENTS

Record Date for participation in the Tender Offer	close of business on 18 September 2018
Closing Date: latest time and date for receipt of Tender Forms and the TTE Instructions in CREST	1.00 p.m. on 28 November 2018
Calculation Date	close of business on 30 November 2018
Results of Tender Offer and Tender Price announced	3 December 2018
Settlement Date: cheques dispatched and payments through CREST made	as soon as practicable after 7 December 2018
Balancing Ordinary Share certificates dispatched and CREST accounts settled	as soon as practicable after 7 December 2018

The times and dates set out in this expected timetable of principal events (other than the Calculation Date) may be adjusted by the Company in which event details of the new dates will be notified to Shareholders through the publication of a notice through an RIS.

All references are to London time.

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Act”	means the Companies Act 2006, as amended;
“Articles of Association”	means the articles of association of the Company;
“Basic Entitlement”	means the entitlement of each Shareholder to tender up to twenty per cent. of the Ordinary Shares registered in such Shareholder’s name on the Record Date rounded down to the nearest whole number;
“BlackRock”	means BlackRock Investment Management (UK) Limited;
“Board” or “Directors”	means the Directors of the Company or any duly constituted committee thereof;
“Business Day”	means any day other than a Saturday, Sunday or public holiday in England and Wales;
“Calculation Date”	means 30 November 2018, the day as at which the Company calculates the Tender Price for the purposes of the Tender Offer;
“Cenkos”	means Cenkos Securities plc;
“in certificated” or “in certificated form”	means not in uncertificated form;
“Closing Date”	means 1.00 p.m. on 28 November 2018;
“Company”	means BlackRock Greater Europe Investment Trust plc;
“Court”	means the High Court of Justice in England and Wales;
“CREST”	means 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;
“CREST Manual”	means 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;
“CREST Regulations”	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
“CREST Sponsor”	means a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations);
“Euroclear”	means Euroclear UK & Ireland Limited, the operator of CREST;
“FCA”	means the Financial Conduct Authority;
“FSMA”	means the Financial Services and Markets Act 2000, as amended;
“HMRC”	means HM Revenue & Customs;
“Incoming Investor”	means an investor (other than the Company) who has agreed to acquire Ordinary Shares tendered pursuant to the Tender Offer from Cenkos;
“Investment Price”	means the price per Ordinary Share at which Incoming Investors agree to purchase On-sale Shares from Cenkos, being a price not lower than the Tender Price;

“London Stock Exchange”	means the London Stock Exchange plc;
“Manager”	means BlackRock Fund Managers Limited;
“Member account ID”	means the identification code or number attached to any member account in CREST;
“Net Asset Value” or “NAV”	means the net asset value of the Company as calculated by the Company in accordance with the Company’s normal accounting policies and the Articles. For the avoidance of doubt this will include all undistributed reserves as at the Calculation Date (but will take no account of the costs of the Tender Offer);
“Net Asset Value per Ordinary Share”	means the fully diluted Net Asset Value divided by the number of Ordinary Shares then in issue as adjusted to take account of the dilutive effect, if applicable, of treasury shares in issue;
“On-sale Shares”	means Ordinary Shares tendered pursuant to the Tender Offer which Incoming Investors agree to purchase from Cenkos;
“Ordinary Shares”	means Ordinary Shares of 0.1p each in the capital of the Company;
“Overseas Shareholders”	means Shareholders who are resident in, or citizens of, territories outside the United Kingdom and not resident in, or citizens of, any of the Restricted Territories;
“Participant ID”	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
“Receiving Agent” or “Registrars”	means Computershare Investor Services PLC;
“Record Date”	means the close of business on 18 September 2018;
“Register”	means the register of Shareholders;
“Repurchase Agreement”	means the agreement dated 22 October 2018 between the Company and Cenkos relating to the repurchase by the Company on the London Stock Exchange of the Ordinary Shares purchased by Cenkos pursuant to the Tender Offer as summarised in paragraph 3 of Part V of this document;
“Restricted Shareholders”	means Shareholders who are resident in, or citizens of, a Restricted Territory;
“Restricted Territories”	means any of the following territories: Australia, Canada, Japan and the United States or any other jurisdiction in which the Tender Offer may result in the contravention of any registration or other legal requirement of such jurisdiction;
“RIS”	means a Regulatory Information Service approved by the FCA and on the list of regulatory information services maintained by the FCA;
“Settlement Date”	means the date by which the consideration for Ordinary Shares purchased in the Tender Offer will be settled by a CREST payment or dispatched by cheque to the Shareholders entitled thereto, which is expected to be as soon as practicable after 7 December 2018;
“Shareholders”	means holders of Ordinary Shares;
“sterling” or “£”	means the lawful currency of the United Kingdom;
“Tender Form”	means the tender form for use in connection with the Tender Offer accompanying this document;

“Tender Offer”	means the invitation by Cenkos to Shareholders (other than Restricted Shareholders) to tender Ordinary Shares for purchase on the terms and subject to the conditions set out in this document and, where applicable, the Tender Form;
“Tender Price”	means a price per Ordinary Share equal to 98 per cent. of the Net Asset Value per Ordinary Share as at the Calculation Date;
“Tendering Shareholders”	means a Shareholder who has tendered Ordinary Shares pursuant to the Tender Offer;
“TFE Instruction”	means a transfer from escrow instruction (as defined by the CREST Manual);
“TTE Instruction”	means a transfer to escrow instruction (as defined by the CREST Manual);
“UK Listing Authority”	means the Financial Conduct Authority acting in its capacity as the competent authority for listing pursuant to Part 6 of FSMA;
“in uncertificated” or “in uncertificated form”	means an Ordinary 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; and
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland.

Unless otherwise stated in this document, all references to statute or other forms of legislation shall refer to statute or forms of legislation of the UK.

PART I – LETTER FROM THE CHAIRMAN

BLACKROCK GREATER EUROPE INVESTMENT TRUST PLC

(incorporated and registered in England and Wales under the Companies Act 1985, with registered number 5142459; an investment company within the meaning of section 833 of the Companies Act 2006)

Directors:

Eric Sanderson (Chairman)
Peter Baxter
Davina Curling
Paola Subacchi

Registered office:

12 Throgmorton Avenue
London EC2N 2DL

31 October 2018

Dear Shareholders

TENDER OFFER BY CENKOS TO PURCHASE UP TO 20 PER CENT. OF THE ORDINARY SHARES IN ISSUE OF BLACKROCK GREATER EUROPE INVESTMENT TRUST PLC

INTRODUCTION

The prospectus published by the Company on its launch in June 2004 included proposals for controlling the discount to net asset value at which the Ordinary Shares may trade from time to time. These proposals included the discretion for the Directors to implement twice yearly tender offers of up to 20 per cent. of the Ordinary Shares then in issue. On 17 September 2018 the Directors announced their decision to exercise their discretion to implement a further tender offer with a Calculation Date of 30 November 2018.

Shareholders are not obliged to tender any Ordinary Shares and if they do not wish to participate in the Tender Offer, they should not complete or return their Tender Form.

This document contains the formal terms of the Tender Offer, together with details of how Shareholders can tender Ordinary Shares for purchase, if they wish to do so. The repurchase of Ordinary Shares consequential on the implementation of this Tender Offer was previously approved by Shareholders at the Annual General Meeting of the Company held on 29 November 2017.

BACKGROUND TO AND KEY POINTS OF THE TENDER OFFER

The key points of the Tender Offer are as follows:

- the Tender Offer is for up to 20 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at the Record Date;
- Shareholders (other than Restricted Shareholders) will be able to decide whether to tender some or all of their Ordinary Shares within the overall limits of the Tender Offer (but tenders in excess of a Shareholder's Basic Entitlement will only be accepted to the extent that other Shareholders tender less than their Basic Entitlement or do not tender any Ordinary Shares); and
- the Tender Price will be the price per Ordinary Share which represents 98 per cent. of the Net Asset Value per Ordinary Share on the Calculation Date. If the Calculation Date had been the close of business on 25 October 2018 (being the latest practicable date prior to the publication of this document) the Tender Price would have been 335.40 pence compared to the Ordinary Share price as at that date of 321.00 pence.

The Tender Offer is conditional, *inter alia*, on valid tenders being received in respect of at least one per cent. of the Company's issued Ordinary Shares by the Closing Date.

OPTIONS FOR SHAREHOLDERS

Shareholders can choose:

- to continue in full their investment in the Company and, on the assumption that more than approximately 1.3 per cent. of Ordinary Shares are tendered in the Tender Offer, receive an expected small uplift in the Net Asset Value per Ordinary Share arising as a result of the Tender Price being at a discount to the Net Asset Value per Ordinary Share on the Calculation Date;
- save for Restricted Shareholders, to tender some or all of their Ordinary Shares for purchase and to receive the Tender Price in cash in consideration of such purchase (subject to the scaling back of tenders in excess of the Basic Entitlement).

Shareholders (other than Restricted Shareholders) will be entitled to have up to 20 per cent. of their respective holdings purchased under the Tender Offer. Such Shareholders will be able to tender additional Ordinary Shares, but such tenders will only be satisfied, on a pro-rata basis, in proportion to the excess over the Basic Entitlement tendered, to the extent that other Shareholders tender less than their Basic Entitlement.

FURTHER DETAILS OF THE TENDER OFFER

Shareholders (other than Restricted Shareholders) on the Register on the Record Date will be invited to tender for sale some or all (subject to the overall limits of the Tender Offer) of their Ordinary Shares to Cenkos who will, as principal, purchase at the Tender Price the Ordinary Shares validly tendered (subject to the overall limits of the Tender Offer). Following the completion of all those purchases, Cenkos may seek to sell some or all of such Ordinary Shares to Incoming Investors at a price per Ordinary Share not lower than the Tender Price. Any Ordinary Shares not sold by Cenkos to Incoming Investors will be repurchased by the Company. To the extent that Cenkos sell any tendered Ordinary Shares to Incoming Investors at a price exceeding the Tender Price, the excess shall be for the benefit of the Company. All transactions will be carried out on the London Stock Exchange.

The Tender Offer is subject to certain conditions and may be terminated in certain circumstances as set out in paragraph 7 of Part III of this document.

The Tender Offer is not conditional on Ordinary Shares trading at a discount to NAV as at the Calculation Date (i.e. the share price per Ordinary Share being at a discount to the Net Asset Value per Ordinary Share on the Calculation Date). In the event that Ordinary Shares are trading at a premium to the Net Asset Value per Ordinary Share as at the Calculation Date (i.e. the share price per Ordinary Share being at a premium to the Net Asset Value per Ordinary Share on the Calculation Date), Shareholders who tender Ordinary Shares may receive less than they may otherwise be able to realise in the market.

Shareholders' (other than Restricted Shareholders) attention is drawn to the letter from Cenkos set out in Part II of this document and to Part III of this document which, together with the Tender Form, where applicable, constitute the terms and conditions of the Tender Offer. Details of how Shareholders will be able to tender Ordinary Shares can be found in paragraph 3 of Part III of this document.

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

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

EXPENSES

The costs (including stamp duty) relating to the Tender Offer, assuming the Tender Offer is fully subscribed and no Ordinary Shares are sold by Cenkos to Incoming Investors, are expected to be approximately £453,000 including VAT. The Tender Price will be 98 per cent. of the Net Asset Value per Ordinary Share on the Calculation Date and costs (including stamp duty) will be deducted from the remaining 2 per cent. of the aggregate Net Asset Value attributable to the Ordinary Shares successfully tendered. Assuming that sufficient Ordinary Shares are tendered pursuant to the Tender Offer, the actual costs of implementing the Tender Offer are likely to be less than such amount, with the result that continuing Shareholders should expect to receive a small uplift to their

continuing Net Asset Value per Ordinary Share. However, Shareholders should note that due to the fixed nature of some costs, if less than approximately 1.3 per cent. of the Ordinary Shares are tendered in the Tender Offer, this could result in a dilution to the Net Asset Value per Ordinary Share.

RESTRICTED SHAREHOLDERS AND OTHER OVERSEAS SHAREHOLDERS

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

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

TREASURY SHARES

As set out in the prospectus published by the Company in June 2004, Ordinary Shares repurchased by the Company pursuant to regular tender offers may be held in treasury. At the Annual General Meeting of the Company held on 29 November 2017, the Company was authorised to repurchase 14,284,863 Ordinary Shares or, if less, 14.99 per cent. of its issued Ordinary Shares (excluding treasury shares) into treasury for reissue or cancellation at a future date and (b) reissue Ordinary Shares out of treasury at a price which represents a discount to the net asset value.

Resolutions to renew the authorities to repurchase Ordinary Shares and to reissue Ordinary Shares from treasury will again be put to Shareholders at the 2018 Annual General Meeting. Both the repurchase for cancellation and the use of treasury shares should assist the Board in the objective of providing a discount management mechanism and enhancing the Net Asset Value of the Ordinary Shares. The Directors have determined the following policies in respect of the Manager's discretion in the use of treasury shares.

The Company will not repurchase Ordinary Shares into treasury through the tender offers at a discount to Net Asset Value of less than 2 per cent. on the date of purchase. There is no limit to the number of shares which can be held in treasury.

Treasury shares will only be reissued at a lesser discount to Net Asset Value than that at which they were acquired in the tender offers and in addition at a price which is not less than the market bid price at the time of the sale. This ensures that the combined purchase of shares into treasury and subsequent sale of shares out of treasury is Net Asset Value enhancing on the roundtrip. The Directors will still have the discretion to issue shares out of treasury at a price in excess of the Net Asset Value per Ordinary Share if it determines that this is in the interests of Shareholders.

TAXATION

Shareholders who sell Ordinary Shares in the Tender Offer may, depending on their individual circumstances, incur a liability to taxation. **UK individual Shareholders and trustee Shareholders should be aware that HMRC may seek to treat part of the disposal proceeds of their Ordinary Shares as income.**

The attention of Shareholders is drawn to Part IV of this document which sets out a general guide to certain aspects of current UK law and HMRC practice.

The ability of the Company to qualify as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 should not be affected by the Tender Offer.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser.

ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders holding Ordinary Shares in certificated form (other than Restricted Shareholders) who wish to participate in the Tender Offer should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE to arrive as soon as possible after receipt of the Tender Form and in any event by no later than 1.00 p.m. on 28 November 2018. A reply-paid envelope is enclosed with the Tender Form for your convenience.

Shareholders who hold their Ordinary Shares in certificated form should also return their Ordinary Share certificate(s) and/or other documents of title in respect of the Ordinary Shares tendered with their Tender Form.

Shareholders who hold their Ordinary Shares in uncertificated form (that is, in CREST) and who wish to participate in the Tender Offer should not return a Tender Form but should transmit the appropriate TTE Instruction in CREST as set out in sub-paragraph 3.2(b) of Part III of this document as soon as possible and in any event so as to be received by no later than 1.00 p.m. on 28 November 2018.

The extent to which Shareholders participate in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances and their investment objectives. Shareholders should seek advice from their own independent financial adviser authorised under FSMA.

No Board member will be tendering any of their Ordinary Shares under the Tender Offer.

Yours faithfully

Eric Sanderson
Chairman

PART II – LETTER FROM CENKOS SECURITIES PLC

Cenkos Securities plc
6.7.8 Tokenhouse Yard
London EC2R 7AS

31 October 2018

Dear Sir or Madam

As explained in the letter from your Chairman in Part I of this document, Shareholders (other than Restricted Shareholders) are being given the opportunity to tender some or all of their Ordinary Shares for purchase in the Tender Offer, subject to the scaling back of tenders in excess of the Basic Entitlement on the basis set out below and in Part III of this document. The purpose of this letter is to summarise the principal terms and conditions of the Tender Offer.

Cenkos hereby invites Shareholders (other than Restricted Shareholders) on the Register on the Record Date to tender Ordinary Shares for purchase by Cenkos for cash at the Tender Price. The Tender Price will be equal to 98 per cent. of the Net Asset Value per Ordinary Share on the Calculation Date.

Cenkos will have the ability to invite new investors to purchase Ordinary Shares which have been bought by Cenkos from Tendering Shareholders pursuant to the Tender Offer. Any such Ordinary Shares which are not sold by Cenkos will be repurchased by the Company pursuant to the Repurchase Agreement (details of which are set out in paragraph 3 of Part V of this document).

Each Shareholder will be entitled to have accepted in the Tender Offer valid tenders to Cenkos in respect of up to his, her or its Basic Entitlement. In addition, Shareholders may tender Ordinary Shares in excess of their Basic Entitlement but such excess tenders will only be satisfied to the extent that other Shareholders have not tendered all or any part of their Basic Entitlement, as the case may be. Tenderees in excess of the Basic Entitlement will be satisfied pro-rata in proportion to the excess over the Basic Entitlement tendered, rounded down to the nearest whole number of Ordinary Shares.

The Tender Offer is made on the terms and subject to the conditions set out in Part III of this document and, where applicable, in the case of Shareholders holding their Ordinary Shares in certificated form, in the accompanying Tender Form, the terms of which are deemed to be incorporated in this document and form part of the Tender Offer. Cenkos is acting for the Company and no one else in connection with the Tender Offer and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos nor for providing advice in relation to the Tender Offer or any other matter referred to herein. Cenkos has given and not withdrawn its written consent to the inclusion of the references to its name in the form and context in which it is included in this document.

PROCEDURE FOR TENDERING ORDINARY SHARES

Shareholders (other than Restricted Shareholders) who hold their Ordinary Shares in certificated form and who wish to tender Ordinary Shares should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE to arrive by no later than 1.00 p.m. on 28 November 2018.

Shareholders (other than Restricted Shareholders) who hold their Ordinary Shares in certificated form should also return the Ordinary Share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares tendered with their Tender Form.

Shareholders (other than Restricted Shareholders) who hold their Ordinary Shares in uncertificated form (i.e. in CREST) and who wish to tender Ordinary Shares should not complete a Tender Form and should instead arrange for their Ordinary Shares to be transferred to escrow by sending a TTE Instruction in respect of such Ordinary Shares, as described in sub-paragraph 3.2(b) of Part III of this document, as soon as possible and in any event so as to settle by no later than 1.00 p.m. on 28 November 2018.

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

Full details of the procedure for tendering Ordinary Shares are set out in Part III of this document and, where applicable, on the Tender Form.

VALIDITY OF TENDERS

Tender Forms and TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on 28 November 2018 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to Shareholders or their appointed agent, together with any accompanying Ordinary Share certificate(s) and/or other document(s) of title.

Cenkos reserves the right to treat as valid only those Tender Forms or TTE Instructions received by the Receiving Agent by the deadline specified above, which are entirely in order and which are accompanied (in the case of Ordinary Shares held in certificated form) by the relevant Ordinary Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

RESTRICTED SHAREHOLDERS AND OVERSEAS SHAREHOLDERS

The Tender Offer is not available to Shareholders with registered or mailing addresses in Restricted Territories, or who are citizens or nationals of, or resident in, a Restricted Territory and such Shareholders should read paragraph 9 of Part III of this document and the relevant provisions of the Tender Form.

Overseas Shareholders (not being Restricted Shareholders) who wish to accept the Tender Offer should also read paragraph 9 of Part III of this document and satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

CONDITIONS

The Tender Offer is conditional on the terms specified in paragraph 2 of Part III of this document.

TERMINATION OF TENDER OFFER

The Tender Offer may be terminated in the circumstances described in paragraph 7 of Part III of this document.

SETTLEMENT

Subject to the Tender Offer becoming unconditional, payment of the Tender Price due to Shareholders whose tenders under the Tender Offer have been accepted will be made (by a sterling cheque or by a CREST payment, as appropriate) as soon as practicable after 7 December 2018.

FURTHER INFORMATION

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

Yours faithfully

S.H.Z. Shah

For and on behalf of Cenkos Securities plc

PART III – TERMS AND CONDITIONS OF THE TENDER OFFER

1. The Tender Offer

- 1.1 All Shareholders (other than Restricted Shareholders) on the Register on the Record Date may tender Ordinary Shares for purchase by Cenkos on the terms and subject to the conditions set out in this document and in the Tender Form (which, together constitute the Tender Offer). Shareholders are not obliged to tender any Ordinary Shares.
- 1.2 The Company will calculate its Net Asset Value per Ordinary Share as at the Calculation Date. The Tender Offer is made at the Tender Price, which will be equal to 98 per cent. of the Net Asset Value per Ordinary Share resulting from such calculation. The calculations approved by the Directors will be conclusive and binding on all Shareholders.
- 1.3 The consideration for each tendered Ordinary Share acquired by Cenkos pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in sub-paragraph 4.4 below.
- 1.4 Upon the Tender Offer becoming unconditional and unless the Tender Offer has lapsed or terminated in accordance with the provisions of paragraph 2 or paragraph 7 below, Cenkos will accept the offers of Shareholders validly made in accordance with this Part III, subject as explained below, on the following basis:
 - (a) each Shareholder (other than a Restricted Shareholder) on the Register at the Record Date will be entitled to sell to Cenkos his, her or its Basic Entitlement, being such number of Ordinary Shares rounded down to the nearest whole number, as represents 20 per cent. of such Shareholder's holding of Ordinary Shares entered on the Register as at the Record Date;
 - (b) such Shareholder will also be entitled to sell additional Ordinary Shares held by him, her or it on the Record Date in excess of his, her or its Basic Entitlement to the extent that other Shareholders tender Ordinary Shares in respect of less, in the aggregate, than the whole of their Basic Entitlement and/or Cenkos sells Ordinary Shares tendered pursuant to the Tender Offer to Incoming Investors. Any such excess tenders will be satisfied, subject to the overall 20 per cent. limit on the number of Ordinary Shares which may be purchased by the Company pursuant to the Tender Offer, *pro rata* in proportion to the amount tendered in excess of the Basic Entitlement (rounded down to the nearest whole number of Ordinary Shares); and
 - (c) the Basic Entitlement will apply to each registered Shareholder. Registered Shareholders who hold for multiple beneficial owners may decide the allocation between such beneficial owners in their own discretion.

2. Conditions

- 2.1 The Tender Offer is conditional on the following (together the “**Conditions**”):
 - (a) valid tenders being received in respect of at least one per cent. of the Company's issued ordinary share capital (excluding treasury shares) by the Closing Date;
 - (b) Cenkos being satisfied that the Company has procured payment of an amount equal to the aggregate of the Tender Price for all successfully tendered Ordinary Shares (other than On-sale Shares) into a designated account in accordance with the Repurchase Agreement;
 - (c) the Tender Offer not having been terminated in accordance with paragraph 7 below prior to the fulfilment of the conditions referred to in sub-paragraphs 2.1(a) and 2.1(b) above; and
 - (d) Cenkos being satisfied that the Company has sufficient distributable profits (as defined in section 830 of the Act) to effect the purchase of all such Ordinary Shares (other than On-sale Shares) pursuant to the Repurchase Agreement.
- 2.2 Cenkos will not purchase any Ordinary Shares pursuant to the Tender Offer unless the Conditions have been satisfied. The Conditions, other than that contained in sub-paragraph 2.1(b) above, may not be waived by Cenkos. If the Conditions are not satisfied prior to the close of business, 60 Business Days after 3 December 2018, the Tender Offer, if not then completed, will lapse.

3. Procedure for Tendering Ordinary Shares

3.1 Overview

There are different procedures for tendering Ordinary Shares depending on whether the Ordinary Shares are held in certificated or uncertificated form (i.e. in CREST).

Shareholders (other than Restricted Shareholders) who hold Ordinary Shares in certificated form must complete, sign and return the Tender Form in accordance with sub-paragraph 3.2(a) below and the instructions printed on the Tender Form. Shareholders (other than Restricted Shareholders) should complete separate Tender Forms for Ordinary Shares held in certificated form but under different designations. The share certificate(s) should be returned with the relevant Tender Form.

Additional Tender Forms are available from Computershare Investor Services PLC at Corporate Actions Projects, Bristol BS99 6AH, telephone number 0370 707 1163.

If the Ordinary Shares are held in uncertificated form (i.e. in CREST), they may be tendered only by sending a TTE Instruction in accordance with the procedure set out in sub-paragraph 3.2(b) below. Shareholders should send separate TTE Instructions for Ordinary Shares held under different member account IDs.

3.2 Return of Tender Forms or TTE Instructions (as applicable)

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

The completed and signed Tender Form should be delivered either by post to Computershare Investor Services PLC at Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to arrive by no later than 1.00 p.m. on 28 November 2018.

No Tender Forms received after this time will be accepted. Reply-paid envelopes are enclosed with the Tender Forms. No acknowledgement of receipt of documents will be given. Any Tender Form received in an envelope postmarked from a Restricted Territory or otherwise appearing to Cenkos or its agents to have been sent from any Restricted Territory may be rejected as an invalid tender.

Further provisions relating to Restricted Shareholders are contained in paragraph 9 below. The completed and signed Tender Form should be accompanied by the relevant Ordinary Share certificate(s) and/or other document(s) of title. If some or all of your Ordinary 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 Tender Form should nevertheless be completed, signed and returned as described above so as to be received by Computershare Investor Services PLC by not later than 1.00 p.m. on 28 November 2018 together with any Ordinary Share certificate(s) and/or other document(s) of title you may have available, accompanied by a letter stating that the (remaining) Ordinary 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 28 November 2018.

The Registrars, acting as your agent, will effect such procedures as are required to transfer your Ordinary Shares to Cenkos under the Tender Offer.

If you have lost your Ordinary Share certificate(s) and/or other document(s) of title, you should write to the Company's Registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, for a letter of indemnity in respect of the lost Ordinary Share certificate(s) which, when completed in accordance with the instructions given, should be returned to Computershare Investor Services PLC at the address referred to at the beginning of this sub-paragraph 3.2(a) so as to be received by no later than 1.00 p.m. on 28 November 2018.

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

If the Ordinary Shares which you wish to tender are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares which you wish to tender in the Tender Offer to an escrow balance, specifying Computershare Investor Services PLC in its capacity as a CREST receiving agent under

its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles by no later than 1.00 p.m. on 28 November 2018.

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 Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Ordinary Shares which you wish to tender.

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 Ordinary Shares. This is GB00B01RDH75;
- the number of Ordinary Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, Computershare Investor Services PLC, in its capacity as a CREST receiving agent. This is: 3RA24;
- the member account ID of the escrow agent, Computershare Investor Services PLC. This is: BRGEIT;
- the Corporate Action Number for the Tender Offer. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Tender Form and in any event by no later than 1.00 p.m. on 28 November 2018.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by Computershare Investor Services PLC as your escrow agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional, Computershare Investor Services PLC will transfer the Ordinary Shares which are accepted for purchase by Cenkos to itself as your agent for onward sale to Cenkos.

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 Ordinary Shares to settle prior to 1.00 p.m. on 28 November 2018. 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.

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

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion

to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of Ordinary Share certificates and/or other documents of title or transfer to an escrow balance as described above) prior to 1.00 p.m. on 28 November 2018.

3.3 **Validity of Tenders**

Notwithstanding the powers in sub-paragraph 8.5 below, Cenkos reserves the right to treat as valid only Tender Forms or TTE Instructions which are received entirely in order by 1.00 p.m. on 28 November 2018, which are accompanied (in the case of Ordinary Shares held in certificated form) by the relevant Ordinary Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu in respect of the entire number of Ordinary Shares tendered. The Record Date for the Tender Offer is the close of business on 18 September 2018.

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

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

If you are in any doubt as to how to complete the Tender Form or as to the procedure for tendering Ordinary Shares and you are a registered Shareholder, please contact Computershare Investor Services PLC by telephone on 0370 707 1163. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

4. **Announcement of the Tender Price and Settlement**

4.1 Unless terminated in accordance with the provisions of this Part III, the Tender Offer will close for Shareholders at 1.00 p.m. on 28 November 2018 and it is expected that on 3 December 2018 the Company will make a public announcement of the total number of Ordinary Shares tendered and, if applicable, either the extent to which tenders will be scaled back, or the number of tendered Ordinary Shares in excess of the Basic Entitlement which will be purchased by Cenkos from Shareholders who have tendered Ordinary Shares in excess of their Basic Entitlement.

4.2 Delivery of cash to Shareholders for the Ordinary Shares to be purchased pursuant to the Tender Offer will be made by the Receiving Agent. The Receiving Agent will act as agent for tendering Shareholders for the purpose of receiving the cash and transmitting such cash to tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company, Cenkos or the Receiving Agent regardless of any delay in making such payment.

4.3 If any tendered Ordinary Shares are not purchased because of an invalid tender, the termination of the Tender Offer or otherwise, relevant certificates evidencing any such Ordinary Shares and other documents of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the tendering Shareholder, or in the case of Ordinary Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE Instruction to the original available balances from which those Ordinary Shares came.

4.4 Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by Cenkos is expected to be made as soon as practicable after 7 December 2018 as follows:

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

Where an accepted tender relates to Ordinary Shares held in certificated form, cheques for the consideration due will be dispatched by Computershare Investor Services PLC by first class post to the person or agent whose name and address is set out in Box 2 (or, if relevant, Box 3 of the Tender Form), or if none is set out, to the registered address of the tendering Shareholder shown above Box 1 or, in the case of joint holders, the address of the first named. All cash payments will be made in sterling by cheque drawn on a branch of a UK clearing bank.

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

Where an accepted tender relates to Ordinary Shares held in uncertificated form in CREST, the consideration due will be paid by means of CREST by Cenkos procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

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

4.5 If only part of a holding of Ordinary Shares is sold pursuant to the Tender Offer or if, because of scaling back, any tendered Ordinary Shares in excess of a Shareholder's Basic Entitlement are not purchased pursuant to the terms of the Tender Offer:

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

5. Representations and warranties

5.1 Tender Form – Representations and warranties

Each Shareholder who holds Ordinary Shares in certificated form and by whom, or on whose behalf, a Tender Form is executed, irrevocably undertakes, represents, warrants and agrees to and with Cenkos (for itself and as trustee for the Company) (so as to bind him, her or it and his, her or its personal representatives, heirs, successors and assigns) that:

- (a) the execution of the Tender Form shall constitute an offer to sell to Cenkos such Shareholder's Basic Entitlement or, if relevant, the number of Ordinary Shares inserted in Box 1B or 1C of the Tender Form, in each case, on and subject to the terms and conditions set out or referred to in this document and the Tender Form, and that, once lodged, such offer shall be irrevocable;
- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Cenkos, Cenkos will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
- (c) the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cenkos as such Shareholder's attorney and/or agent ("attorney"), and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Ordinary Shares referred to in sub-paragraph 5.1(a) above in favour of Cenkos or such other person or persons as Cenkos may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the Ordinary Share certificate(s) and/or other document(s) relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cenkos or its nominee(s) or such other person(s) as Cenkos may direct such Ordinary Shares;
- (d) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Cenkos or any of its directors or any person nominated by Cenkos in the proper exercise of its or his or her powers and/or authorities hereunder;

- (e) he, she or it will deliver to Computershare Investor Services PLC their Ordinary Share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in sub-paragraph 5.1(a) above, or an indemnity acceptable to Cenkos in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 28 November 2018;
- (f) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cenkos to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (g) such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to and accepted by him, her or it under the laws of the relevant jurisdiction;
- (h) such Shareholder has not received or sent copies or originals of this document or the Tender Form or any related documents to a Restricted Territory and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Territory, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Territory and that such Shareholder is not accepting the Tender Offer from any Restricted Territory;
- (i) the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- (j) the dispatch of a cheque in respect of the Tender Price to a Shareholder at his, her or its registered address or such other address as is specified in the Tender Form will constitute a complete discharge by Cenkos of its obligations to make such payment to such Shareholder;
- (k) on execution the Tender Form takes effect as a deed;
- (l) the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the Court in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form; and
- (m) if the appointment of the attorney under sub-paragraph 5.1(c) above shall be unenforceable or invalid or shall not operate so as to afford to Cenkos the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cenkos to secure the full benefits of sub-paragraph 5.1(c) above.

A reference in this paragraph 5.1 to a Shareholder includes a reference to the person or persons executing the Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph 5.1 will apply to them jointly and to each of them.

5.2 Tenders through CREST – Representations and warranties

Each Shareholder who holds Ordinary Shares in uncertificated form (i.e. in CREST) and by whom, or on whose behalf, a tender through CREST is made, irrevocably undertakes, represents, warrants and agrees to and with Cenkos (for itself and as trustee for the Company) (so as to bind him, her or its and his, her or its personal representatives, heirs, successors and assigns) that:

- (a) the input of the TTE Instruction shall constitute an offer to sell to Cenkos the number of Ordinary Shares specified in the TTE Instruction on and subject to the terms and conditions set out or referred to in this document, and that once the TTE Instruction has settled such tender shall be irrevocable;

- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Cenkos, Cenkos will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
- (c) the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent, to transfer to itself and then to transfer to Cenkos by means of CREST (or to such person or persons as Cenkos may direct) all of the Relevant Shares (as defined below) accepted under the Tender Offer or where there are Ordinary Shares which have not been successfully tendered under the Tender Offer, to transfer the Relevant Shares to the original available balances from which those Ordinary Shares came. For the purposes of this paragraph 5.2(c), Relevant Shares means Ordinary Shares held in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part III;
- (d) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Cenkos or the Receiving Agent or any of their respective directors or officers or any person nominated by Cenkos or the Receiving Agent in the proper exercise of its or his or her powers and/or authorities hereunder;
- (e) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cenkos to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (f) such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to and accepted by him, her or it under the laws of the relevant jurisdiction;
- (g) such Shareholder has not received or sent copies or originals of this document or any related documents to a Restricted Territory and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Territory, and that such Shareholder is not accepting the Tender Offer from any Restricted Territory;
- (h) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 4 above will, to the extent of the obligations so created, discharge fully any obligation of Cenkos to pay to such Shareholder the cash consideration to which he, she or it is entitled in the Tender Offer;
- (i) the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the Court in relation to all matters arising out of or in connection with the Tender Offer;
- (j) if, for any reason any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to 1.00 p.m. on 28 November 2018, converted into certificated form, the tender(s) through CREST in respect of such Ordinary Shares shall cease to be valid;
- (k) if the appointment of the agent under sub-paragraph 5.2(c) above shall be unenforceable or invalid or shall not operate so as to afford to Cenkos or the Receiving Agent the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cenkos and/or the Receiving Agent to secure the full benefits of sub-paragraph 5.2(c) above; and
- (l) such Shareholder shall not take any action which would prevent the Company or the Registrars from cancelling the Ordinary Shares to which the TTE Instructions relate.

6. Additional provisions

- 6.1 Each Shareholder (other than a Restricted Shareholder) will be entitled to have accepted in the Tender Offer valid tenders to Cenkos up to his, her or its Basic Entitlement. In addition, Shareholders may tender Ordinary Shares in excess of their Basic Entitlement subject to the scaling back of tenders on the basis provided for in sub-paragraph 1.4 above. In respect of Ordinary Shares held in certificated form, if in Cenkos' determination (in its absolute discretion) Box 1 of the Tender Form has not been validly completed in respect of the number of Ordinary Shares to be tendered and provided that the Tender Form is otherwise in order and accompanied by all other relevant documents, a Shareholder may be deemed to have accepted the Tender Offer in respect of the whole of the tendering Shareholder's Basic Entitlement.
- 6.2 Ordinary Shares acquired by Cenkos in the Tender Offer will be market purchases in accordance with the rules of the FCA, the London Stock Exchange and the UK Listing Authority.
- 6.3 Ordinary Shares sold by Shareholders pursuant to the Tender Offer will be acquired with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date.
- 6.4 Each Shareholder who tenders or procures the tender of Ordinary Shares will thereby be deemed to have agreed that, in consideration of Cenkos agreeing to process his, her or its tender, such Shareholder will not revoke his, her or its tender or withdraw his, her or its Ordinary Shares. Shareholders should note that once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.
- 6.5 Any omission to dispatch this document or the Tender Form or any notice required to be dispatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 6.6 No acknowledgement of receipt of any Tender Form, TTE Instruction, Ordinary 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.
- 6.7 All powers of attorney and authorities on the terms conferred by or referred to in this Part III or (in the case of Ordinary Shares held in certificated form) in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 6.8 All tenders in respect of Ordinary Shares held in certificated form subject to paragraph 8 and paragraph 9 below, must be made on the relevant prescribed Tender Form, fully completed in accordance with the instructions set out thereon which constitute part of the terms of the Tender Offer. A tender in respect of Ordinary Shares held in certificated form will only be valid when the procedures contained in these terms and conditions and in the Tender Form are complied with. The Tender Offer and all other tender offers will be governed by and construed in accordance with English law. Delivery or posting of a Tender Form or the transmission of a TTE Instruction in CREST will constitute submission to the jurisdiction of the Court.
- 6.9 If the Tender Offer is terminated or lapses, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 2 or Box 3 of the Tender Form or, if none is set out, to the tendering Shareholder or, in the case of joint holders, the first named at his, her or its registered address as shown above Box 1. In any of these circumstances, Tender Forms will cease to have any effect. In the case of Ordinary Shares held in uncertificated form, Computershare Investor Services PLC, in its capacity as the escrow agent will, within 14 Business Days of the Tender Offer lapsing, give instructions to CREST to transfer all Ordinary Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Ordinary Shares came.

- 6.10 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the terms of the Tender Offer applicable to Ordinary Shares held in certificated form. The definitions set out in this document apply to the terms and conditions set out in this Part III.
- 6.11 Subject to paragraph 8 and paragraph 9 below, the Tender Offer is open to Shareholders on the Register on the Record Date, and will close at 1.00 p.m. on 28 November 2018. No Tender Form, Ordinary Share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted.
- 6.12 Further copies of this document and copies of the Tender Form may be obtained on request from Computershare Investor Services PLC at the address set out on page 1 of the Tender Form.

7. Termination of the Tender Offer

If the Company (acting through the Directors) shall, at any time prior to Cenkos effecting the purchase as principal of the tendered Ordinary Shares pursuant to the Repurchase Agreement notify Cenkos in writing that in the Directors' opinion (i) as a result of any change in national or international financial, economic, political or market conditions, the cost of realisation of assets to fund the Tender Offer has become significantly more expensive since the date of this document or (ii) in its reasonable opinion the completion of the purchase of Ordinary Shares in the Tender Offer could have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, Cenkos and/or the Company shall be entitled at their complete discretion by a public announcement and subsequent written notice to Shareholders to withdraw the Tender Offer, and in such event the Tender Offer shall cease and determine absolutely.

8. Miscellaneous

- 8.1 Any changes to the terms, or any extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof no later than 1.00 p.m. on the Business Day following the date of such changes. In this case, the definitions, times and dates mentioned throughout this document shall be deemed to be adjusted accordingly. Such an announcement will be released to an RIS. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company by Cenkos to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to an RIS.
- 8.2 Ordinary Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from Cenkos by the Company on the London Stock Exchange pursuant to the Repurchase Agreement and such Ordinary Shares will subsequently be cancelled or held in treasury.
- 8.3 Tendering Shareholders will not be obliged to pay brokerage fees, commissions or transfer taxes or stamp duty in the UK on the purchase by Cenkos of Ordinary Shares pursuant to the Tender Offer.
- 8.4 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by Cenkos or the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 8.5 Cenkos reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and may consider void and reject any tender that does not in Cenkos' sole judgement (acting reasonably) meet the requirements of the Tender Offer. Cenkos also reserves the absolute right to waive any defect or irregularity in the tender of any Ordinary Shares, including any Tender Form (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Ordinary Shares held in uncertificated form) the relevant TTE Instruction or (in the case of Ordinary Shares held in certificated form), the related Ordinary Share certificate(s) and/or other document(s) of title or an indemnity acceptable to Cenkos in lieu thereof. In that event, for Ordinary Shares held in certificated form, the consideration in the Tender Offer will only be dispatched when the Tender Form is entirely in order and the Ordinary Share certificate(s) and/or other document(s) of title or indemnities satisfactory to Cenkos has/have been received. None

of Cenkos, the Company, the Registrars or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

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

9. Restricted Shareholders and other Overseas Shareholders

9.1 The provisions of this paragraph 9 and any other terms of the Tender Offer relating to Restricted Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by Cenkos in consultation with the Company but only if Cenkos and the Company are satisfied that such a waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other laws.

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

9.3 The Tender Offer is not being made to Restricted Shareholders. Restricted Shareholders are being excluded from the Tender Offer in order to avoid offending applicable local laws relating to the implementation of the Tender Offer. Accordingly, copies of this document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed into a Restricted Territory, including to Shareholders with registered addresses in Restricted Territories, or to persons who Cenkos knows to be custodians, nominees or trustees holding Ordinary Shares for persons in Restricted Territories. 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 Tender Offer, as so doing will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked from a Restricted Territory or otherwise dispatched to a Restricted Territory and accepting Shareholders must not provide Restricted Territory addresses for the remittance of cash or return of Tender Forms.

9.4 A Shareholder will be deemed not to have made a valid tender if (i) such Shareholder is unable to make the representations and warranties set out in sub-paragraph 5.1(g) (if relevant) and sub-paragraph 5.1(h) (in respect of Ordinary Shares held in certificated form) or sub-paragraph 5.2(f) (if relevant) and sub-paragraph 5.2(g) (in respect of Ordinary Shares held in uncertificated form) or (ii) in the case of Ordinary Shares held in certificated form, such Shareholder inserts in Box 2 or Box 3 of the Tender Form the name and address of a person or agent in a Restricted Territory to whom he wishes the consideration to which such Shareholder is entitled in the Tender Offer to be sent or (iii) in the case of Ordinary Shares held in certificated form, the Tender Form received from him, her or it is in an envelope postmarked in, or which otherwise appears to Cenkos or its agents to have been sent from, a Restricted Territory. Cenkos reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in sub-paragraphs 5.1(g), 5.1(h), 5.2(f) and 5.2(g) above given by any Shareholder are correct and, if such investigation is undertaken and as a result Cenkos determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.

9.5 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related offering documents in or into a Restricted Territory or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, internet and telephone) of interstate or foreign

commerce of, or any facility of a national securities exchange in, a Restricted 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 9.

- 9.6 Overseas Shareholders (who are not Restricted Shareholders) should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

10. Modifications

The terms of the Tender Offer shall have effect subject to such non-material modifications or additions as the Company and Cenkos may from time to time approve in writing. The times and dates referred to in this document may be amended by agreement between the Company and Cenkos.

PART IV – UK TAXATION

The following comments are intended only as a general guide to certain aspects of current UK law and HMRC published practice, and do not constitute tax advice. They are of a general nature and apply only to Shareholders who are resident in the UK (except where otherwise indicated) and who hold their Ordinary Shares beneficially as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities or Shareholders who have acquired their shares by virtue of an office or employment.

A Shareholder who sells Ordinary Shares in the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder has sold them in the normal way to a third party. Accordingly, and subject to the comments in the next paragraph, any such Shareholder who is UK resident for tax purposes may, depending on that Shareholder's personal circumstances, be subject to capital gains tax (or, in the case of a corporate Shareholder, corporation tax on chargeable gains) in respect of any gain arising on such sale. Shareholders who are not resident in the UK for taxation purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Ordinary Shares unless those Ordinary Shares are held for the purposes of a UK permanent establishment, branch or agency, although they may be subject to foreign taxation depending on their personal circumstances. Individual Shareholders who are temporarily not resident in the UK for tax purposes may be liable to capital gains tax under tax anti-avoidance legislation.

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

Application has not been made to HMRC for clearance under section 748 of the Corporation Tax Act 2010 (“CTA”) or section 701 of the Income Tax Act 2007 (“ITA”) that the anti-avoidance provisions of Part 15 of the CTA or Part 13 of the ITA should not apply to the Tender Offer. Part 15 of the CTA and Part 13 of the ITA permit HMRC to counteract tax advantages arising from certain transactions in securities by for example treating some or all of the proceeds of capital disposals as distributions of income. However, these sections do not apply where it can be shown, in the case of any corporation tax advantage, that the transactions in question were entered into for genuine commercial reasons and did not involve as one of their main objects the obtaining of any corporation tax advantage and, in the case of any income tax advantage, that the transactions in question did not involve the receipt of consideration in connection with a distribution by or assets of a close company (as set out in section 685 ITA) or did not involve as one of their main purposes the obtaining of any income tax advantage. Accordingly, these sections are not expected to apply generally in the context of the Tender Offer. In any event, this “income treatment” should not apply to UK individuals who are not liable to income tax at a rate which is greater than the basic rate or who hold their Ordinary Shares in an ISA, investors who are exempt from UK tax, nor to investors who are not UK resident (and who do not hold their Ordinary Shares for the purposes of a UK permanent establishment, branch or agency).

Shareholders are advised to take independent advice as to the potential application of Part 15 of the CTA and Part 13 of the ITA in the light of their own particular motives and circumstances.

Stamp duty or stamp duty reserve tax at the rate of 0.5 per cent. of the Tender Price (rounded up to the nearest £5 in the case of stamp duty only) will be payable by the Company on Ordinary Shares repurchased by it pursuant to the Tender Offer (Incoming Investors will be responsible for any stamp duty or stamp duty reserve tax payable in respect of their purchase of On-sale Shares). The Tender Price will be 98 per cent. of the Net Asset Value per Ordinary Share on the Calculation Date and costs, including any stamp duty which is incurred by the Company, will be deducted from the remaining two per cent. of the aggregate Net Asset Value attributable to the Ordinary Shares successfully tendered.

If you are in any doubt as to your taxation position you should consult an appropriate professional adviser without delay.

The information relating to taxation set out above is a general guide and is not exhaustive. It is based on law and practice currently in force in the UK and is subject to changes therein possibly with retrospective effect.

PART V – ADDITIONAL INFORMATION

1. Further Repurchases of Ordinary Shares

The Company has a general authority granted by Shareholders at the Annual General Meeting held on 29 November 2017, to buy back up to a maximum of 14,284,863 Ordinary Shares, or, if less, 14.99 per cent. of its issued Ordinary Shares (excluding treasury shares) into treasury for reissue or cancellation at a future date.

Subject to market conditions, the Board will consider using this general authority from time to time to make on-market share repurchases in order to return further capital to Shareholders. Shareholders should also note that for any share buy back the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher of (i) 105 per cent. of the average of the middle market quotations (as derived from the Official List) of the Ordinary Shares for the five dealing days prior to the date on which the market purchase is made and (ii) the higher of the price quoted for the last independent trade and the highest current independent bid (as stipulated by Article 3(2) of the EU Buy-back and Stabilisation Regulation (2016/1052/EU). The minimum price will not be below the nominal value of 0.1p per Ordinary Share. Purchases of Ordinary Shares pursuant to this general buy back authority will be financed out of the Company's distributable reserves. Purchases of Ordinary Shares under the buyback authority will only be made through the market and otherwise in accordance with guidelines established from time to time by the Board. The Company may utilise such general buy back authority by either a single purchase or a series of purchases, as and when market conditions are appropriate, with the aim of maximising the benefit to the remaining Shareholders.

2. Directors' Interests

As at 25 October 2018 (being the latest practicable date before the publication of this document), the Directors had a beneficial interest in the following number of Shares:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of issued ordinary share capital</i>
Eric Sanderson	4,000	0.004
Peter Baxter	5,000	0.005
Davina Curling	-	-
Paola Subacchi	-	-
Total	9,000	0.009

Save as disclosed above, no Director has any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

3. Repurchase Agreement

The Repurchase Agreement between the Company and Cenkos is dated 22 October 2018. Under this agreement, the parties agree that, subject to the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms and an amount equal to (a) the Tender Price multiplied by the number of Ordinary Shares successfully tendered (less any On-sale Shares); plus (b) an amount equal to the fees and expenses payable to Cenkos; less (c) an amount equal to the number of On-sale Shares multiplied by the amount (if any) by which the Investment Price exceeds the Tender Price; being deposited into an interest bearing, client bank account of the Registrar by 9.00 a.m. on the date on which Cenkos is to effect purchases of Ordinary Shares pursuant to the Tender Offer, Cenkos shall, as principal, purchase, on-market, at the Tender Price, Ordinary Shares successfully tendered up to a maximum of 20 per cent. of the Ordinary Shares in issue (excluding treasury shares).

The Company has agreed that, immediately following the purchase by Cenkos of all Ordinary Shares which it has agreed to purchase under the terms of the Repurchase Agreement, the Company will purchase from Cenkos such Ordinary Shares (less any On-sale Shares) at the Tender Price.

The Repurchase Agreement contains certain representations, warranties and undertakings from Cenkos in favour of the Company concerning its authority to enter into the agreement and to make the purchase of Ordinary Shares pursuant thereto.

The agreement also contains representations and warranties from the Company in favour of Cenkos and incorporates an indemnity in favour of Cenkos in respect of any liability which it may suffer in relation to its performance under the Tender Offer.

4. General

- 4.1 Cenkos has given and not withdrawn its written consent to the issue of this document with its letter and with the references to its name in the form and context in which they are included.
- 4.2 There has been no significant change in the Company's financial or trading position since 31 August 2018, being the date of the latest annual report and financial statements of the Company.

5. Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Company, 12 Throgmorton Avenue, London EC2N 2DL during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) from the date of this document until the completion, lapse or termination of the Tender Offer:

- 5.1 this circular;
- 5.2 the Articles of Association as at the date of this document; and
- 5.3 the annual report and financial statements of the Company for the year ended 31 August 2018.

31 October 2018

