

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a prospectus (the “Prospectus”) relating to Tellworth British Recovery & Growth Trust plc (the “Company”) and has been approved by the Financial Conduct Authority (“FCA”), as competent authority under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares. This document will be made available to the public in accordance with the Prospectus Regulation Rules by being made available at [www.tbrgt.co.uk](http://www.tbrgt.co.uk).

The Directors of the Company, whose names appear on page 36 of this document, and the Company each accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

Prospective investors should read the entire document and, in particular, the section headed “Risk Factors” on pages 12 to 18 of this document when considering an investment in the Company.

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# **TELLWORTH BRITISH RECOVERY & GROWTH TRUST PLC**

*(A company incorporated in England and Wales with registered number 12814859)  
(Registered as an investment company under section 833 of the Companies Act 2006)*

**Initial Placing and Initial Intermediaries Offer of Ordinary Shares at £1.00  
per Share and a Placing Programme and Subsequent Intermediaries Offers**

**and**

**Admission to the premium segment of the Official List and to trading on the  
premium segment of the London Stock Exchange’s Main Market**

**Investment Manager  
BennBridge Ltd**

**Sponsor  
Dickson Minto W.S.**

**Placing Agent  
Numis Securities Limited**

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Applications will be made to the FCA and the London Stock Exchange for the Shares issued (and to be issued) pursuant to the Issues to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the London Stock Exchange’s Main Market. It is expected that Initial Admission will become effective, and dealings in the Shares issued pursuant to the Initial Issue will commence, at 8.00 a.m. on 13 October 2020. It is expected that any Subsequent Admissions will become effective, and dealings in any Shares issued pursuant to any Subsequent Issues will commence, as soon as practicable following the allotment of such Shares but no later than 15 September 2021.

Dickson Minto W.S. and Numis Securities Limited (“**Numis**”) are the Sponsor and the Placing Agent to the Company respectively. Both Dickson Minto W.S. and Numis are authorised and regulated in the United Kingdom by the FCA. Neither Dickson Minto W.S. nor Numis will be responsible to anyone other than the Company for providing protections afforded to clients of Dickson Minto W.S. or Numis or for affording advice in relation to the contents of this document or any matters referred to herein or any other statement made or purported to be made by them or either of them or on their behalf in connection with the Company, the Shares, the Issues or Admission. Accordingly, Dickson Minto W.S. and Numis, to the fullest extent permissible by law, disclaim all and any responsibility or liability (save for any statutory liability including any responsibilities or liabilities which may arise under FSMA or any regulatory regime established thereunder) whether arising in tort, contract or otherwise which they or either of them might otherwise have in respect of this document or any other statement.

Numis and/or its affiliates, acting as an investor for its or their own account(s), may subscribe for or purchase Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company or other related investments in connection with the Issues or otherwise which may lead to a disclosable stake. Accordingly, references in this document to the Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, acquisition of, or subscription or dealing by, Numis and any of its affiliates acting as an investor for its or their own account(s). Neither Numis nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

### **Intermediaries Offers**

The Company consents to the use of this Prospectus by the Intermediaries in connection with the Intermediaries Offers in the United Kingdom on the following terms: (i) in respect of Intermediaries who are appointed by the Company on or prior to the date of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, from the date on which they are appointed to participate in the Intermediaries Offers and agree to adhere to and be bound by the Intermediaries Terms and Conditions, in each case until the closing of the relevant Intermediaries Offer.

The offer period, within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given, commences on 16 September 2020 and closes at 5.00 p.m. on 15 September 2021, unless closed prior to that time and/or date (any such earlier closure will be announced through a Regulatory Information Service). The Company and the Directors accept responsibility for the information contained in this Prospectus with respect to any purchaser of Shares pursuant to the Intermediaries Offers.

**Any Intermediary that uses this Prospectus must state on its website that it is using this Prospectus in accordance with the Company’s consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of any subsequent resale or final placement of securities to any prospective investor who has expressed an interest in participating in the Intermediaries Offers to such Intermediary at the time of the offer by the Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary.**

### **Overseas Shareholders**

The distribution of this Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company, Dickson Minto W.S. or Numis that would permit an offer of the Shares or possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Shares described in this Prospectus have not been, and will not be, registered under the relevant securities laws of any EEA State (other than any EEA member state, including the United Kingdom, where the Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions. Accordingly, the Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into any EEA State (other than any EEA member state, including the United Kingdom, where the Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. There will be no public offer of the Shares in the United States. The Shares are being offered and sold solely (i) outside the United States to persons who are not U.S. Persons in “offshore transactions” as defined in and pursuant to Regulation S under the U.S. Securities Act (“**Regulation S**”); and (ii) within the United States to, or to U.S. Persons that are, both “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the U.S. Securities Act and “qualified purchasers” (“**QPs**”) as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The Company will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of such legislation. Persons resident in territories other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose of the Shares.

In particular, the attention of persons resident in the United States, any EEA State (other than any EEA member state, including the United Kingdom, where the Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan is drawn to the section titled “Overseas Investors” of the Important Information section of this Prospectus. This Prospectus does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful.

No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the Issues other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

**Prospective investors should consider carefully all of the information in this document, in particular the sections headed ‘Risk Factors’ (on pages 12 to 18) and ‘Forward looking statements’ (on pages 24 and 25), before making any application for Shares.**

**16 September 2020**

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# SUMMARY

## INTRODUCTION AND WARNING

### **Introduction**

This document relates to the issue of ordinary shares of £0.01 each (the “**Shares**”) in the capital of Tellworth British Recovery & Growth Trust plc (the “**Company**”). The ISIN for the Shares is GB00BN0SM319. The LEI of the Company is 213800PJJ7NTYKGCLR38. The Company can be contacted by writing to its registered office, Level 13 Broadgate Tower, 20 Primrose Street, London EC2A 2EW or by calling +44 (0)20 4513 9260, within business hours).

This Prospectus was approved by the Financial Conduct Authority (the “**FCA**”) in the United Kingdom on 16 September 2020. The head office of the FCA is at 12 Endeavour Square, London E20 1JN. Contact information relating to the FCA can be found at <https://www.fca.org.uk/contact>.

### **Warning**

The following summary should be read as an introduction to this Prospectus. Any decision to invest in the Shares should be based on a consideration of this Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

It should be remembered that the price of the Shares, and the income from such Shares (if any), may go down as well as up. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such investment and who understand the potential risk of capital loss (which may be equal to the whole amount invested).

## KEY INFORMATION ON THE ISSUER

### **Who is the issuer of the securities?**

The Company is a public company limited by shares incorporated in England and Wales with an unlimited life under the Companies Act on 14 August 2020 and is domiciled in the United Kingdom. The Company is an investment company under section 833 of the Companies Act. The principal legislation under which the Company operates is the Companies Act and regulations made thereunder. The Company’s LEI number is 213800PJJ7NTYKGCLR38.

The principal activity of the Company is to invest in securities listed on any regulated market in the UK and issued by companies with a Significant Presence in the UK. The investment objective of the Company is to generate long-term total returns over a rolling five year period by principally investing in UK listed companies.

As at the date of this Prospectus, there are no persons known to the Company who, directly or indirectly, will be interested in three per cent. or more of the Company’s issued share capital or voting rights on Initial Admission. Pending the allotment of Shares pursuant to the Initial Issue, the Company is controlled by John Warren, one of the Lead Portfolio Managers, who directly holds the Company’s only issued Ordinary Share and therefore 100 per cent. of the voting rights in the Company.

On Initial Admission, the Company is not aware of any person who will directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangement, the operation of which may at a subsequent date result in a change of control of the Company.

The Company does not have a fixed life. Under the Articles, the Board is obliged to propose an ordinary resolution that the Company continues its business as a closed-ended investment trust (i) at the annual general meeting of the Company held in 2023 if the Net Asset Value of the Company as at 31 December 2022 is not at least £150 million; and (ii) at the annual general meeting of the Company held in 2026 and at every fifth annual general meeting thereafter.

The Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) will be obliged to notify the Company if the proportion of the Company's voting rights which they own reaches, exceeds or falls below specific thresholds (the lowest of which is currently three per cent.).

The Directors of the Company are as follows:

- Andrew Martin Smith (Chairman);
- Paul Dollman (Audit Committee Chair);
- Shauna Bevan; and
- Sir Richard Jewson.

All of the Directors are non-executive directors and are independent of the Investment Manager.

The Company has appointed Thesis Unit Trust Management Limited (the "AIFM") as the Company's alternative investment fund manager to provide overall portfolio and risk management services to the Company. The AIFM and the Company have appointed BennBridge Ltd (the "Investment Manager") to manage the Company's portfolio of investments.

Tellworth Investments is a specialist equity investment business, established by Paul Marriage and John Warren in 2017, which carries out investment management and advisory services through the Investment Manager. Tellworth Investments LLP is not FCA authorised to manage investments and cannot therefore be appointed directly by the Company to manage the investments of the Company. However, Tellworth Investments LLP has assigned its members and employees to BennBridge Ltd, the Investment Manager of the Company, so that Tellworth Investments LLP's members can manage the Company's portfolio under BennBridge Ltd's supervision and regulatory cover.

The Tellworth Investment Team, and in particular the Lead Portfolio Managers (being Paul Marriage, John Warren and Johnnie Smith), have significant experience in UK equities, with Paul Marriage having over 20 years' experience in managing UK equities mandates and John Warren having over 18 years of investment experience. Paul Marriage and John Warren have particular expertise in small and mid-cap stock picking and the core of their investment strategy throughout their careers has been to invest in companies with significant UK operations and/or management, specifically choosing not to invest in overseas companies whose only connection to the UK is admission to trading on the London Stock Exchange. As at 11 September 2020, Tellworth Investments, through BennBridge, has over £690 million of assets under management in UK equity strategies.

The Company is in the process of appointing its statutory auditor and expects to appoint its preferred firm, Deloitte LLP of 1 New Street Square, London, United Kingdom EC4A 3HQ shortly following Initial Admission.

#### **What is the key financial information regarding the issuer?**

The Company has not commenced operations since its incorporation on 14 August 2020 and no financial statements of the Company have been made up as at the date of this document.

#### **What are the key risks that are specific to the issuer?**

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

- There is no guarantee that the Company's investment objective will be achieved or provide the long-term total returns sought by the Company.
- The Company is a newly formed company with no operating results, financial statements or current investments. It will not commence operations until it has obtained funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective or implement its investment strategy and provide a satisfactory return.
- The Company's portfolio will be managed in particular by three investment executives within Tellworth Investments (being Paul Marriage, John Warren and Johnnie Smith, the Lead Portfolio Managers) who have direct responsibility for portfolio selection. In the event any one of these

investment executives is no longer involved in the management of the Company's portfolio, this may result in the performance of the Company or its Shares being adversely affected.

- The Company has no employees and the Directors have all been appointed on a non-executive basis so the Company is reliant upon the provision of services by third party service providers in order to carry on its business. A failure by one or more service providers could materially disrupt the business of the Company or impact detrimentally on its investment performance.
- The past performance of investments managed by Tellworth Investments, the Tellworth Investment Team or the Lead Portfolio Managers is not indicative of future performance.
- The underlying investments comprised in the Company's portfolio will be subject to market risk. The Company seeks to achieve its investment objective by constructing a portfolio consisting principally of UK listed equities. The prices of equity investments may be volatile and are affected by a wide variety of factors many of which can be unforeseen and are outside the control of the investee company and the Investment Manager. These price movements could result in significant losses for the Company which would impact the returns to Shareholders and the ability of Shareholders to realise their investments. The Company does not seek to track any benchmark and therefore the Shares are an unsuitable investment for those who seek investments in some way correlated to a stock market index.
- The Company may invest in smaller capitalisation companies. As smaller companies do not have the financial strength, diversity and resources of larger companies, they may find it difficult to operate in periods of economic slowdown or recession. The small capitalisation of such companies could also make the market in their securities less liquid and, as a consequence, their prices more volatile than investments in larger companies.
- The Company will invest principally in shares issued by UK listed companies which have a Significant Presence in the UK. Any adverse effect on the UK market and/or the value of Sterling (including any delay in the recovery of the UK market or failure of any such recovery to materialise) could have an adverse effect on the Company's portfolio, financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.
- The Company may seek to enhance investment returns by using gearing in the form of derivatives and/or borrowings. Whilst gearing should enhance the total return on the Shares where the return on the Company's underlying assets is positive and exceeds the cost of the gearing, it will have the opposite effect where the return on the Company's underlying assets is at a lower rate than the cost of the gearing, reducing the total return on the Shares. As a result, gearing may increase the volatility of the Net Asset Value per Share.

## KEY INFORMATION ON THE SECURITIES

### What are the main features of the securities?

#### **Ordinary Shares**

The Shares have a nominal value of £0.01 each and are denominated in Sterling. The ISIN for the Shares is GB00BN0SM319 and the SEDOL is BN0SM31. The ticker code for the Shares is BRIT.

The Shares are being offered under the Initial Issue at the price of £1.00 per Share (the "**Initial Issue Price**"). The Placing Programme Price of any Shares issued pursuant to a Subsequent Placing will be calculated by reference to the last published cum income Net Asset Value per Share together with a premium intended to at least cover the costs and expenses of the relevant Subsequent Placing (including, without limitation, any placing commissions), such costs and expenses being estimated at approximately 1.75 per cent. of the amounts raised. Shares offered under the Subsequent Intermediaries Offers will be offered at a price not less than the Net Asset Value per Share as at the close of business two Business Days prior to the close of the relevant Subsequent Intermediaries Offer plus a premium of 1.75 per cent. (such premium being intended to cover the costs and expenses of the relevant Subsequent Intermediaries Offer).

### ***Issued share capital***

Set out below is the issued share capital of the Company as at the date of this document:

	<i>Aggregate nominal value</i>	<i>Number</i>
Management Shares	£50,000.00	50,000
Ordinary Share	£0.01	1

The Ordinary Share in issue is fully paid up. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under section 761 of the Companies Act, on 27 August 2020, 50,000 redeemable preference shares of £1.00 each in the capital of the Company (the “**Management Shares**”) were allotted to Tellworth Investments LLP. The Management Shares are fully paid up and will be redeemed immediately following Initial Admission. Immediately following Initial Admission, the Company will have one class of share in issue.

### ***Rights attaching to the Ordinary Shares***

**Rights as regards dividends:** The holders of the Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Shares that they hold.

**Rights as regards capital:** Shareholders are entitled to participate in the net assets of the Company attributable to their Shares on a winding up of the Company or other return of capital.

**Rights as regards voting:** Shareholders have the right to receive notice of, attend and vote at general meetings of the Company. Each Shareholder being present in person or by proxy or by a duly authorised representative (if a company) at a general meeting shall upon a show of hands have one vote and upon a poll all Shareholders have one vote for every Share held.

### ***Restrictions on the free transferability of the Shares***

There are no restrictions on the transferability of the Shares, subject to compliance with applicable securities laws and the Articles.

### ***Dividend policy***

The Company does not have any policy to achieve any specified level of income or dividend. It is not envisaged that dividends will be paid in the early years of the Company’s life (other than if required under relevant legislation as set out below). However, over the longer-term, if the income received from the Company’s investments materially exceeds the Company’s annual expenses, the Company expects to pay dividends.

The Company intends to conduct its business so as to satisfy the conditions to obtain and retain approval as an investment trust under section 1158 of the Tax Act. In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

### ***Where will the securities be traded?***

Applications will be made to the FCA and the London Stock Exchange for all of the Shares (issued and to be issued) in connection with the Issues to be admitted to the premium segment of the Official List and to trading on the Main Market. No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other stock exchange.

### ***What are the key risks that are specific to the securities?***

The following is a brief description of what the Directors believe, at the time of publication of this document, to be the key material risks specific to the Shares.

- The market value of, and the returns derived from, the Shares may go down as well as up and an investor may not get back the amount invested.



- The market price of the Shares may fluctuate independently of their underlying Net Asset Value and may trade at a discount or premium to Net Asset Value at different times.
- The Directors are under no obligation to effect repurchases of Shares. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market.
- Although the Shares will be listed on the Official List and admitted to trading on the Main Market, there may not be a liquid market in the Shares and Shareholders may have difficulty selling them.

## KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

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

#### *The Initial Issue*

The Company is targeting Initial Gross Proceeds of £100 million through the issue of Shares at the Initial Issue Price (being £1.00 per Share) pursuant to the Initial Placing and Initial Intermediaries Offer (together, referred to as the “**Initial Issue**”). The Company will, however, have the flexibility to raise up to £500 million under the Initial Issue. The total number of Shares allotted under the Initial Issue will be determined by the Company, Dickson Minto W.S., Numis and the Investment Manager after taking into account demand for the Shares and prevailing economic and market conditions.

Numis has agreed to use its reasonable endeavours to procure Places under the Initial Placing. The Initial Placing will remain open until 2.00 p.m. on 7 October 2020 (or such later time and/or date, not being later than 30 November 2020, as the Company, Numis and the Investment Manager may agree) and the Initial Intermediaries Offer will remain open until 5.00 p.m. on 5 October 2020 (or such later date as the Company and the Sponsor may agree). If the Initial Issue is extended, the revised timetable will be notified by way of an announcement through a Regulatory Information Service.

Applications will be made for the Shares to be issued pursuant to the Initial Issue to be admitted to listing on the premium segment of the Official List and to trading on the Main Market. It is expected that Initial Admission will become effective and dealings in the Shares will commence at 8.00 a.m. on 13 October 2020.

The Initial Issue is conditional, *inter alia*, on:

- (i) the Minimum Gross Proceeds of £75 million (or such lesser amount as the Company, Dickson Minto W.S., Numis and the Investment Manager may agree) being raised pursuant to the Initial Issue;
- (ii) the Admission Condition in respect of the Initial Issue being satisfied prior to 8.00 a.m. on 13 October 2020 (or such later time and/or date, not being later than 8.00 a.m. on 30 November 2020 as the Company, the Sponsor, the Placing Agent and the Investment Manager may agree); and
- (iii) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission.

If the conditions to the Initial Issue are not satisfied, the Issues will not proceed and any applications made in respect of the Issues will be rejected. In such circumstances, application monies will be returned (at the applicants’ sole risk) without payment of interest, as soon as practicable thereafter. The Initial Placing and the Initial Intermediaries Offer are only available to investors who can make certain warranties and representations as to their status as an investor.

Investors may subscribe for Shares at the Initial Issue Price pursuant to the Initial Intermediaries Offer. Only the Intermediaries’ retail investor clients in the United Kingdom are eligible to participate in the Initial Intermediaries Offer. Investors may apply to any one of the Intermediaries which is appropriately licensed in the client’s jurisdiction to be accepted as their client. The minimum application amount in the Initial Intermediaries Offer is £1,000. The actual number of Shares to be allocated to the Intermediaries will be determined by the Company (in consultation with the Sponsor and the Investment Manager). Each Intermediary has agreed, or will on appointment agree, to be bound by the Intermediaries Terms and Conditions which regulate, *inter alia*, the conduct of the Initial Intermediaries Offer on market standard terms, and may provide for the payment of commission to any Intermediary.

Any expenses incurred by any Intermediary are for its own account. Prospective investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Initial Intermediaries Offer. The Intermediaries Terms and Conditions restrict the level of commission that Intermediaries are able to charge any of their respective clients acquiring Shares pursuant to the Initial Intermediaries Offer.

No dilution will result from the Initial Issue. One Ordinary Share is held by John Warren, one of the Lead Portfolio Managers, for the purposes of incorporating the Company.

### ***Subsequent Issues***

Following the Initial Issue, the Directors may undertake Subsequent Issues pursuant to one or more Subsequent Placings and/or Subsequent Intermediaries Offers. The Directors are authorised to issue up to 500 million Shares, less any Shares issued pursuant to the Initial Issue, pursuant to the Subsequent Issues.

The Subsequent Issues will enable the Company to raise additional capital in the period from 14 October 2020 to 15 September 2021 if it is deemed to be in the best interests of the Company.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Shares over a period of time. The last date on which Shares may be admitted to trading under the Placing Programme is 15 September 2021.

The Company intends to carry out Subsequent Intermediaries Offers which will close on 11 February 2021, 15 April 2021 and 1 July 2021. The result of any Subsequent Intermediaries Offer will be announced on the Business Day following the close of the relevant Subsequent Intermediaries Offer. If the closing date of any Subsequent Intermediaries Offer is extended, the revised timetable will be notified by way of an announcement through a Regulatory Information Service.

To become effective, each Subsequent Issue will require the following events to occur:

- (i) appropriate Shareholder authority remaining in place;
- (ii) the Admission Condition being satisfied in respect of each such Subsequent Issue;
- (iii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; and
- (iv) in respect of the Placing Programme only, the Placing Agreement being wholly unconditional as regards the relevant Subsequent Placing (save as to the relevant Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

In circumstances where these conditions are not fully met, the relevant issue of Shares pursuant to a Subsequent Issue will not take place. For the avoidance of doubt, if the Initial Issue is not successful the launch of the Company will not occur and no Subsequent Issues will take place.

Shareholders are not obliged, and, depending on the nature of the Subsequent Issue, may not receive the opportunity, to participate in any Subsequent Issues. If the Company undertakes any Subsequent Issues and a Shareholder does not acquire any of those Shares (or otherwise acquire Shares), then the Shareholder will suffer dilution to the percentage of the issued share capital of the Company that their existing holding represents, based on the number of Shares issued at the relevant time.

The Placing Programme Price of any Shares issued pursuant to a Subsequent Placing will be calculated by reference to the last published cum income Net Asset Value per Share together with a premium intended to at least cover the costs and expenses of the relevant Subsequent Placing (including, without limitation, any placing commissions), such costs and expenses being estimated at approximately 1.75 per cent. of the amounts raised. Shares issued under the Subsequent Intermediaries Offers will be offered at a price not less than the Net Asset Value per Share as at the close of business two Business Days prior to the close of the relevant Subsequent Intermediaries Offer plus a premium of 1.75 per cent. (such premium being intended to cover the costs and expenses of the relevant Subsequent Intermediaries Offer). As such, it is not anticipated that there will be any dilution in the Net Asset Value per Share as a result of any Subsequent Issue.

Any expenses incurred by any Intermediary are for its own account. Prospective investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant

to the Intermediaries Offers. The Intermediaries Terms and Conditions restrict the level of commission that Intermediaries are able to charge any of their respective clients acquiring Shares pursuant to the Intermediaries Offers.

***Subsequent resale of securities or final placement securities through financial intermediaries***

The Company consents to the use of this Prospectus by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries in the United Kingdom. The offer period within which any subsequent resale or final placement of securities by the Intermediaries can be made and for which consent to use this Prospectus is given, commences on 16 September 2020 and closes at 5.00 p.m. on 15 September 2021 unless closed prior to that time and/or date (any such earlier closure will be announced through a Regulatory Information Service). Prospective investors interested in participating in the Intermediaries Offers should apply for Shares through the Intermediaries by following their relevant application procedures. The Company and the Directors accept responsibility for the information contained in this Prospectus with respect to the subsequent resale or final placement of securities by any financial intermediary which was given consent to use this Prospectus.

**Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offers at the time of such offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offers to such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary.**

**Why is this Prospectus being produced?**

***Reasons for the Issues***

The Initial Issue is intended to raise money for investment in accordance with the Company's investment objective and investment policy. The Directors intend to use the Initial Net Proceeds, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy. Following the Initial Issue, the Company may wish to issue further Shares to raise additional capital. The Directors intend to use the net proceeds of any Subsequent Issue to acquire investments in accordance with the Company's investment objective and investment policy.

***Estimated net proceeds***

The Company is targeting an issue of up to 100 million Shares pursuant to the Initial Issue.

There are no expenses charged to the investor by the Company. The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company will not exceed an amount equal to two per cent. of the Initial Gross Proceeds. Tellworth Investments LLP has undertaken to meet any such costs which exceed an amount equal to two per cent. of the Initial Gross Proceeds. Assuming Initial Gross Proceeds of £100 million, the costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company are expected to equal approximately 1.75 per cent. of such Initial Gross Proceeds.

Therefore, assuming that Initial Gross Proceeds of £100 million are raised, the Initial Net Proceeds are expected to be approximately £98.25 million. On the basis that the Minimum Gross Proceeds are raised pursuant to the Initial Issue, the Initial Net Proceeds are expected to be approximately £73.69 million. The Issues are not underwritten.

***Conflicts of interest***

The AIFM, the Investment Manager and their officers, employees and consultants may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. In particular, the Investment Manager may provide investment management services, investment advice or other services in relation to a number of funds that may have similar investment policies to that of the Company. The AIFM and the Investment Manager will have regard to their respective obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to their respective obligations to other clients or funds, should potential conflicts of interest arise.

## **RISK FACTORS**

**An investment in the Company should not be regarded as short-term in nature and involves risks that could lead to the loss of all or part of that investment. An investment in the Company is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment. Prospective investors should consider carefully all of the information set out in this Prospectus, including the risks described below, as well as their own personal circumstances, before deciding to invest in the Company.**

**The risk factors referred to below are the risks which are considered by the Company and the Directors to be material as at the date of this document but are not the only risks relating to the Company or the Shares. Additional risks and uncertainties relating to the Company or the Shares that are not currently known to the Company or the Directors or that the Directors or the Company do not currently consider to be material may also have a material adverse effect on the Company. Potential investors should review this Prospectus carefully and in its entirety and consult with their stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser before acquiring any Shares.**

**Prospective investors should note that the risks relating to the Company, its industry and the Shares summarised in the section of this document headed “Summary” are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of the document headed “Summary” but also, among other things, the risks and uncertainties described below.**

### **RISKS RELATING TO THE COMPANY**

#### **The Company’s lack of operating history**

The Company is a newly formed company with no operating results, financial statements or current investments. It will not commence operations until it has obtained funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company’s ability to achieve its investment objective or implement its investment strategy and provide a satisfactory return. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

#### **The Company’s reliance on the Investment Manager and other third party service providers**

The Company is reliant upon the provision of services by third party service providers in order to carry on its business, and a failure by one or more service providers could materially disrupt the business of the Company or impact detrimentally on its investment performance.

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for the performance of certain functions. In particular, the AIFM, the Investment Manager, the Administrator, the Company Secretary, the Depositary and the Registrar will each be performing services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, with the applicable duty of care and skill, or at all, or any termination of any such appointment, could have a materially detrimental impact on the operation of the Company and on the Company’s Net Asset Value, revenues and returns to Shareholders and therefore could affect the ability of the Company to meet its investment objective.

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

### **Continuation votes**

Under the Articles, the Board is obliged to propose an ordinary resolution for the continuation of the Company in certain circumstances. If any such continuation vote is not passed, the Directors shall be obliged to propose a special resolution to approve the reconstruction or winding up of the company with an option for Shareholders to realise their investment in the Company in full. Even if any such continuation vote is not passed, there is no guarantee that Shareholders would pass the subsequent special resolution or that Shareholders would be able to realise their investment in the Company in full.

### **RISKS RELATING TO THE COMPANY'S INVESTMENT STRATEGY**

#### **The Company may not achieve its investment objective and investors may not get back the full value of their investment**

The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability to execute successfully its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors which are described in more detail below and there can be no assurance that the Company's investment strategy will be successful or that the Company will be able to generate investment returns or avoid investment losses. Any failure by the Company to achieve its investment objective may adversely affect its operations and returns to Shareholders.

#### **Availability of investment opportunities**

The investment objective of the Company is to generate long-term total returns over a rolling five year period by principally investing in UK listed companies. Under the terms of the Company's investment policy, the Company will seek to achieve its investment objective by investing principally in securities listed on any regulated market in the UK and issued by companies with a Significant Presence in the UK. Should there be fewer such opportunities than anticipated by the Investment Manager and the Board, this may materially adversely affect returns to Shareholders.

#### **Equity portfolio**

The Company seeks to achieve its investment objective by constructing a portfolio consisting principally of UK listed equities. The prices of equity investments may be volatile and are affected by a wide variety of factors many of which can be unforeseen and are outside the control of the investee company or the Investment Manager. These price movements could result in significant losses for the Company which would impact the returns to Shareholders and the ability of Shareholders to realise their investments.

#### **Investment in smaller companies**

The Company may invest in smaller capitalisation companies. As smaller companies do not have the financial strength, diversity and resources of larger companies, they may find it difficult to operate in periods of economic slowdown or recession. The small capitalisation of such companies could also make the market in their securities less liquid and, as a consequence, their prices more volatile than investments in larger companies.

#### **Benchmark**

The Company does not seek to track any benchmark. Accordingly, the portfolio of investments held by the Company will not mirror the stocks and weightings that constitute any particular index or indices, which may lead to the Shares failing to follow either the direction or extent of any moves in the financial markets generally (which may or may not be to the advantage of Shareholders). The Shares are an unsuitable investment for those who seek investments in some way correlated to a stock market index. The Company will not invest in companies that are involved in the extraction of oil, gas and other natural resources. As these sectors comprise a significant proportion of the FTSE All Share Index, if these sectors lead in any recovery of the UK market, the Company may significantly underperform the FTSE All Share Index.

#### **Gearing**

The Company may seek to enhance investment returns by using gearing in the form of derivatives and/or borrowings. Whilst gearing should enhance the total return on the Shares where the return on the Company's underlying assets is positive and exceeds the cost of the gearing, it will have the opposite

effect where the return on the Company's underlying assets is at a lower rate than the cost of the gearing, reducing the total return on the Shares. As a result, gearing may increase the volatility of the Net Asset Value per Share.

As a result of gearing, any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its Net Asset Value (which is likely to adversely affect the price of a Share). Any reduction in the Net Asset Value of the Company (for example, as a result of Share buy backs) will, in the absence of a corresponding reduction in gearing, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings or cancel derivative contracts, which may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments. No assurance can be given that any sales of the Company's investments would realise proceeds which would be sufficient to repay any borrowings or cancel derivative contracts.

There is no guarantee that gearing, in the form of bank borrowings and/or derivatives, will be available to the Company or that any bank borrowings of the Company will be refinanced on their maturity, either on terms that are acceptable to the Company or at all.

The Company will pay interest or premiums on any borrowings or derivative contracts respectively and the Company will be exposed to interest rate risk due to fluctuations in the prevailing market rates.

### **Derivative instruments**

The Company may make use of derivative instruments, such as options and futures, for the purposes of efficient portfolio management as well as for investment purposes within the limits set by the Directors. Derivative instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of the underlying securities may result in a profit or loss which is high in proportion to the amount of funds actually placed as initial margin and may result in further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Where the Company enters into derivative transactions, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract.

### **The Company's portfolio may include unquoted investments**

The Company intends that the majority of its investments will be in quoted companies. The Company may also make investments in unquoted companies in accordance with its investment policy and the Company may become invested in unquoted companies as a result of corporate actions or commercial transactions undertaken by quoted companies. Investments in unquoted companies may not be readily realisable. In addition, these investments may not have readily ascertainable market prices and may have reported valuations that differ from their true and actual realisable value. Valuations can be subject to significant fluctuations.

Some unquoted companies may not have ongoing valuations provided by third parties. As a result, the Investment Manager's investment recommendations may be based on analysis and valuations which are materially inaccurate. In addition, the Investment Manager may have to rely on old valuations in its investment process.

Therefore, there is a risk that the Company may be carrying its investment in such a company in its books at an incorrect value, which value may be significantly lower than the actual value the Company is able to realise for such an investment and this would have an adverse impact the Net Asset Value of the Company.

### **Risks relating to market events**

The underlying investments comprised in the Company's portfolio will be subject to market risk. The Company is therefore at risk that market events may affect performance and in particular may affect the

value of the Company's investments. Market risk is risk associated with, *inter alia*, changes in market prices or rates, including interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances and national and international disasters such as a global pandemic or environmental disaster. While the Company intends to hold a diversified portfolio of assets, any of these factors including specific market events, such as a global financial crisis, may be materially detrimental to the performance of the Company's investments.

#### **Lack of geographical diversification**

The Company will invest principally in shares issued by UK listed companies which have a Significant Presence in the UK. Investing in a single country is generally considered a higher risk investment strategy than investing more widely, as it exposes the investor to the fluctuations of a single geographical market and currency, in this case the UK market and Sterling. Any adverse effect on the UK market and/or the value of Sterling (including any delay in the recovery of the UK market or failure of any such recovery to materialise) could have an adverse effect on the Company's portfolio, financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

#### **Lack of sectoral diversification**

The Company is not subject to restrictions on the amount it may invest in any particular sector. Although its portfolio is expected to be diversified in terms of sector exposures, the Company may have significant exposure to portfolio companies from certain sectors from time to time. Greater concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and consequently its Net Asset Value and may materially and adversely affect the performance of the Company and returns to Shareholders.

#### **Brexit**

Following the vote in favour of the UK leaving the European Union ("**Brexit**") held on 23 June 2016, the UK left the European Union on 31 January 2020 and has until 31 December 2020 to agree and ratify a trade deal with the European Union. The extent of the impact of Brexit on the Company will depend in part on the nature of the arrangements, if any, that are put in place between the UK and the European Union following eventual Brexit both in the short and long term and the extent to which the UK continues to apply laws that are based on EU legislation. The Company may be subject to a significant period of uncertainty in the period leading up to and following eventual Brexit including, *inter alia*, uncertainty in relation to any regulatory or tax change. The terms of any trade deal agreed between the UK and the European Union or the UK failing to agree, or a delay in any agreement of, a trade deal with the European Union could create material uncertainty in the UK market and adversely affect the value of Sterling which may have a material effect on total Shareholder returns, the Net Asset Value of the Company and the price of the Shares, favourably or unfavourably. Brexit could create significant UK stock market uncertainty, which may have a material adverse effect on the price of the Shares and result in significant volatility in the value of the Company's underlying investments.

#### **The COVID-19 Pandemic**

The COVID-19 Pandemic and the measures taken to control the outbreak have led to volatility and a substantial decline in stock markets and other financial markets around the world and a downturn in the global economy. The future development and the long-term impacts of the outbreak are unknown and it remains to be seen how and when the global economy and financial markets will recover from the impact of the pandemic and what effect any secondary outbreaks may have on the global economy and financial markets. There can be no guarantee that the COVID-19 pandemic will not have a material adverse impact on the future investment returns of the Company and the price of the Shares.

### **RISKS RELATING TO THE INVESTMENT MANAGER**

#### **Reliance on the Investment Manager**

The Company depends on the diligence, skill, judgement and business contacts of the Investment Manager's investment professionals and the information and deal flow they generate and communicate to the Company during the normal course of their activities. The Company's future success depends on the continued service of these individuals (or their replacements from time to time) who are not obligated to remain employed with, or consultants or assignees of, the Investment Manager, and the Investment

Manager's ability to recruit and retain personnel. A failure of the Investment Manager to retain or recruit appropriately qualified personnel may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

The Company's portfolio is managed in particular by three investment executives within the Tellworth Investment Team, being Paul Marriage, John Warren and Johnnie Smith (the Lead Portfolio Managers) who have direct responsibility for portfolio selection. In the event any one of these investment executives is no longer involved in the management of the Company's portfolio, the management arrangements may need to be reviewed by the Board. The departure of any one of the Lead Portfolio Managers would also give rise to the right for the Company to summarily terminate the Management Agreement if, without the prior consent of the Company, any one of the Lead Portfolio Managers ceases to be employed by or provide services to the Investment Manager, or ceases to be actively involved in respect of the Investment Manager's obligations under the Management Agreement save that the Investment Manager shall have the opportunity (to be exercised within two months of such event) to make proposals for the purposes of remedying the situation which the Company may accept or decline in its absolute discretion at any time within two months of receipt of any remedying proposals. Any such change in relation to the Tellworth Investment Team may result in the performance of the Company or its Shares being adversely affected.

In addition, under the terms of the Management Agreement, the agreement may be terminated by the AIFM or the Investment Manager by giving not less than six months' notice to the Company. The Directors would, in these circumstances, have to find a replacement AIFM and/or investment manager for the Company and there can be no assurance that a replacement with the necessary skills and experience would be available and/or could be appointed on terms acceptable to the Company. In this event, the Board may have to formulate and put forward to Shareholders proposals for the future of the Company which may include its merger with another investment company, reconstruction or winding up. While the Directors would seek to mitigate the effects of such a course of action, it may not be possible to avoid this having a material adverse effect on the Company's business, its financial position and results, its future prospects, and therefore its ability to sustain its NAV, and/or the market value of the Shares.

Past performance cannot be relied upon as an indicator of the future performance of the Company.

The past performance of other investments managed by the Investment Manager or any individuals of the Tellworth Investment Team cannot be relied upon as an indicator of the future performance of the Company. Investor returns will be dependent upon the Company successfully pursuing its investment policy.

### **Conflicts of interest**

The AIFM, the Investment Manager and their respective officers, employees and consultants are involved in other activities which may on occasion give rise to conflicts of interest with the Company. In particular, the AIFM, the Investment Manager and their respective officers, employees and consultants may from time to time act for other clients or manage or advise other funds, which may have similar investment objectives and policies to that of the Company. In accordance with the Management Agreement, in the event of a conflict between the Company and the Investment Manager or the AIFM, the Investment Manager and AIFM (as applicable) is obliged to take reasonable steps to ensure that the conflict is resolved fairly, in accordance (so far as applicable in the circumstances) with applicable FCA rules. If these conflicts of interest are managed to the detriment of the Company by the Investment Manager or AIFM, they could have a material adverse effect on the Company's Net Asset Value and the price of the Shares.

## **RISKS RELATING TO THE SHARES**

### **Share price and discount**

The price of shares in an investment company is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The market prices of shares in investment trusts fluctuate independently of their net asset value and can be at a discount or premium to the net asset value at different times, depending on supply and demand, market conditions, general investor sentiment, dividend yields, prevailing interest rates and other factors. Accordingly, the market price of a Share may not fully reflect its underlying Net Asset Value and investment portfolio. Prospective investors should note that the price of the Shares may go down as well as up and that the share price can fall when the Net Asset Value per Share rises, or vice versa.



### **It may be difficult for Shareholders to realise their investment and a liquid market in the Shares may fail to develop**

The Company is a closed-ended company and, as such, Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time.

While the Directors intend to retain the right to effect repurchases of Shares in the manner described in this Prospectus, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors to so act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market.

There is currently no market in the Shares. Although the Shares will be listed on the Official List and traded on the London Stock Exchange's Main Market, there can be no guarantee that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying Net Asset Value. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value or at all.

### **Further issues of Shares**

The Directors have been authorised to issue up to 500 million Shares, less any Shares that are issued pursuant to the Initial Issue, without the application of pre-emption rights pursuant to the Subsequent Issues. If the Directors decide to issue further Shares on a non-pre-emptive basis, the proportions of the voting rights held by holders of Shares on Initial Admission who do not participate in such further issues (and who do not otherwise acquire Shares) will be diluted on the issue of such Shares as each Share carries the right to one vote.

## **RISKS RELATING TO REGULATION AND TAXATION**

### **Changes in laws, government policy or regulations**

The Company is subject to laws and regulations enacted in the United Kingdom, the European Union and elsewhere. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. Any change in the laws and regulations affecting the Company, the AIFM, the Investment Manager or the Company's investments may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment objective and policy and on the value of the Company and the Shares. In such event, the investment returns of the Company may be materially adversely affected.

The Company is subject to and will be required to comply with the Listing Rules and the admission and disclosure standards of the London Stock Exchange. A failure by the Company to comply with those rules and standards may result in the Shares being suspended from listing.

### **Changes in taxation legislation or the rate of taxation**

Any change in the tax status of the Company or in taxation legislation or practice in the United Kingdom could affect the value of the investments held by the Company or the Company's ability to achieve its investment objective or alter the post-tax returns to Shareholders. Statements in this Prospectus, including those relating to the taxation of Shareholders and/or the Company, are based upon current United Kingdom law and published practice as at the date of this Prospectus, which law and practice is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to meet its investment objective and/or which could adversely affect the taxation of Shareholders and/or the Company and after tax returns to Shareholders.

Potential investors who are in doubt as to their tax position are urged to consult their tax advisers with respect to their particular tax situations and the tax effect of an investment in the Company.

### **Investment trust status**

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions under sections 1158 to 1159 of the Tax Act and ongoing requirements under the Investment Trust (Approved Company) (Tax) Regulations 2011 for it to be approved by HMRC as an investment trust. In respect of each period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on its chargeable gains and capital profits on loan relationships. There is a risk that the Company, having received approval of its investment trust status from HMRC, fails to

maintain its status as an investment trust. In such circumstances, the Company would be subject to the normal rates of corporation tax on chargeable gains and capital profits arising on the transfer or disposal of investments and other assets, and on interest income which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain investment trust status, as the Ordinary Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for maintaining investment trust status, will, as soon as reasonably practicable, notify Shareholders of this fact.

**Prospective investors should therefore consider carefully whether investment in the Company is suitable for them, in the light of the risk factors outlined above, their personal circumstances and the financial resources available to them.**

## IMPORTANT INFORMATION

### GENERAL

This Prospectus should be read in its entirety. Investors should rely only on the information contained in this Prospectus. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares other than those contained in this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission (in the case of the Initial Issue) or the relevant Admission of Shares issued pursuant to a Subsequent Issue and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Manager, Dickson Minto W.S. or Numis or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR, neither the delivery of this document nor any subscription for or purchase of Shares pursuant to the Issues, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus.

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for Shares. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the Shares.

This document should be read in its entirety before making any application for Shares. All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles.

Apart from the respective responsibilities and liabilities, if any, which may be imposed on Dickson Minto W.S. and Numis under FSMA or the regulatory regime established thereunder, neither Dickson Minto W.S. nor Numis makes any representation, express or implied, or accepts any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company, the AIFM, the Investment Manager, the Shares or the Issues. Accordingly, Dickson Minto W.S. and Numis, to the fullest extent permitted by law, respectively disclaim all and any respective responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction: (i) in which such offer or solicitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus comes are required to inform themselves about and to observe such restrictions.

**If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.**

### INTERMEDIARIES

The Company consents to the use of this Prospectus by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries in the United Kingdom. The Company consents to the use of this Prospectus by the Intermediaries in connection with the Intermediaries Offers in the United Kingdom on the following terms: (i) in respect of Intermediaries who are appointed by the Company on or prior to the date of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, from the date on which they are appointed to participate in the Intermediaries Offers and agree to adhere to and be bound by the Intermediaries Terms and Conditions, in each case until the closing of the relevant Intermediaries Offer.

The offer period, within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given, commences on 16 September 2020 and closes at 5.00 p.m. on 15 September 2021, unless closed prior to that time and/or date (any such earlier closure will be announced through a Regulatory Information Service). Prospective investors interested in participating in the Intermediaries Offers should apply for Shares through the Intermediaries by following their relevant application procedures. The Company and the Directors accept responsibility for the information contained in this Prospectus with respect to the subsequent resale or final placement of securities by any financial intermediary which was given consent to use this Prospectus.

**Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offers at the time of such offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offers to such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary.**

## **OVERSEAS INVESTORS**

### **For the attention of United States residents**

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. The Shares are being offered and sold solely (i) outside the United States to persons who are not U.S. Persons in "offshore transactions" as defined in and pursuant to Regulation S under the U.S. Securities Act ("**Regulation S**"); and (ii) within the United States to, or to U.S. Persons that are, both "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A under the U.S. Securities Act and "qualified purchasers" ("**QPs**") as defined in Section 2(a)(51) of the U.S. Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There will be no public offer of the Shares in the United States. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law or regulation. Any person in the United States who obtains a copy of this document is requested to disregard it.

### **For the attention of prospective investors in Canada, Japan, Australia or the Republic of South Africa**

The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of such territories.

### **For the attention of prospective investors in the European Economic Area and the United Kingdom**

In relation to each Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no Shares have been offered or will be offered pursuant to the Issues to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State, or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of Shares to the public may be made at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) in such Relevant State; or
- in any other circumstances falling within Article 1(3) and 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the Prospectus Regulation and each person who initially acquires any Shares or to whom any offer is made under the Initial Placing or any Subsequent Placing will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation.

The expression an “offer to the public” in relation to any offer of Shares in any Relevant State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

In addition, Shares will only be offered to the extent that the Shares: (i) are permitted to be marketed into the UK and/or into the relevant EEA jurisdiction pursuant to the AIFM Directive; or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

#### **Notice to prospective investors in Guernsey**

The offer referred to in this Prospectus is available, and is and may be made, and is being provided in or from within the Bailiwick of Guernsey only:

- by persons licensed to do so (or permitted by way of exemption granted) by the Guernsey Financial Services Commission (the “**Commission**”) under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the “**POI Law**”); or
- to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 by non-Guernsey bodies who (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of Commission, affords, in relation to activities of that description, adequate protection to investors and (ii) meet the criteria specified in section 29(1)(cc) of the POI Law; or
- as otherwise permitted by the Commission.

Neither the Commission nor the States of Guernsey takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

The offer referred to in this Prospectus and this Prospectus are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

#### **Notice to prospective investors in Jersey**

The offer that is the subject of this Prospectus may only be made in Jersey where the offer is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom or Guernsey as the case may be. Consent under the Control of Borrowing (Jersey) Order 1958 has not been obtained for the circulation of this offer and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. By accepting this offer, each prospective investor in Jersey represents and warrants that he or she is in possession of sufficient information to be able to make a reasonable evaluation of the offer.

## **Notice to prospective investors in other jurisdictions**

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

## **INFORMATION TO DISTRIBUTORS**

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

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issues. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Placing Agent will only procure investors who meet the criteria of professional clients and eligible counterparties.

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

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

## **PRIIPS REGULATION**

In accordance with the PRIIPs Regulation, the AIFM has prepared a key information document in respect of the Shares (the “**KID**”). The PRIIPs Regulation requires the AIFM to ensure that the KID is made available to “retail investors” prior to them making an investment decision in respect of the Shares and the KID is therefore available to investors at the Company’s website ([www.tbrgt.co.uk](http://www.tbrgt.co.uk)). Accordingly, if you are distributing Shares, it is your responsibility to ensure the relevant KID is provided to any relevant clients. The AIFM is the only manufacturer of the Shares for the purposes of the PRIIPs Regulation and none of the Company, the Sponsor nor the Placing Agent is a manufacturer for these purposes. None of the Company, the Sponsor nor the Placing Agent makes any representation, express or implied, or accepts any responsibility whatsoever for the contents of the KID prepared by the AIFM nor accepts any responsibility to update the contents of the KID in accordance with the PRIIPs Regulation, to undertake any review processes in relation thereto or to provide such KID to future distributors of Shares. Each of the Company, the Sponsor, the Placing Agent and their respective affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of the KID or any other key information documents prepared by the AIFM from time to time. Prospective investors should note that the content of the key information document is highly prescriptive, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context or explanation. As such, the key information document should be read in conjunction with other material produced by the Company, including this Prospectus and, in future, the annual reports which will be available on the Company’s website. The figures in the KID may not reflect actual returns for the Shares and anticipated performance returns cannot be guaranteed.

## **AIFM DIRECTIVE**

This document contains the information required to be made available to investors in the Company before they invest pursuant to the AIFM Directive and UK implementing measures (the AIFM Regulations and consequential amendments to the FCA Handbook).

## **DATA PROTECTION**

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“personal data”) will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (a) the relevant data protection legislation and regulatory requirements of the United Kingdom (the “**Data Protection Legislation**”); and (b) the Company’s privacy notice, a copy of which is available for consultation on the Company’s website at [www.tbrgt.co.uk](http://www.tbrgt.co.uk) (“**Privacy Notice**”) (and if applicable any other third party delegate’s privacy notice).

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) in accordance with and for the purposes set out in the Company’s Privacy Notice which include:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company; and
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere or any third party functionary or agent appointed by the Company.

Where necessary to fulfil the purposes set out above and in the Company’s Privacy Notice, the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) will:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to operate and administer the Company; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors provided that suitable safeguards are in place for the protection of such personal data, details of which shall be set out in the Privacy Notice or otherwise notified from time to time.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor, to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which shall be set out in the Privacy Notice or otherwise notified from time to time.

Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions. Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Company’s Privacy Notice.

## **PRESENTATION OF FINANCIAL INFORMATION**

The Company is newly formed and as at the date of this document has not commenced operations and has no assets or liabilities which will be material in the context of the Issues and, therefore, no financial statements have been prepared as at the date of this document. All future financial information for the Company will be prepared under UK GAAP.

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

## **PRESENTATION OF MARKET AND OTHER DATA**

Market and economic data used throughout this document is sourced from various independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **CURRENCY PRESENTATION**

Unless otherwise indicated, all references in this document to “£”, “pence” or “GBP” are to the lawful currency of the UK.

## **EUROPEAN UNION LEGISLATION**

In this document there are references to various pieces of European Union legislation, for instance the AIFM Directive. While the UK is subject to a transitional and implementation period (“**TIP**”) following the exit day when the UK left the EU, EU law continues to apply to the UK as if it were still a member of the EU and therefore references to EU legislation should be construed as references to that legislation as enacted by the EU. Should the TIP come to an end, references to EU legislation should be construed as references to that legislation as transposed into UK law by the European Union (Withdrawal) Act 2018 (“**EUWA**”) and as further amended by secondary legislation made under EUWA. Prospective investors should note that Subsequent Issues may be undertaken at a time after the TIP has come to an end.

## **WEBSITES**

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

## **TAX REPORTING, FATCA AND COMMON REPORTING STANDARDS (“CRS”)**

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

## **GOVERNING LAW**

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales.

## **FORWARD LOOKING STATEMENTS**

To the extent that this document includes forward looking statements concerning the Company, those statements are based on the current expectations of the Board and are naturally subject to uncertainty and changes in circumstances. Forward looking statements include, without limitation, statements typically containing words such as “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “might”, “will” or “should” or, in each case, their negative or other variations or similar expressions.

By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Forward looking statements are not guarantees of future performance. Given these risks and uncertainties, potential investors should not place undue reliance on forward looking statements as a prediction of actual results. These forward looking statements speak only as at the date of this document. Subject to its legal and regulatory obligations (including under



the Prospectus Regulation Rules), the Company expressly disclaims any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR.

Nothing in the preceding two paragraphs seeks to limit or qualify, in any way, the working capital statement in paragraph 5 of Part 5 of this document.

#### **PERFORMANCE DATA**

The Company has no investment history. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Investment Manager, which market conditions may be different in many respects from those that prevail at present or in the future, with the result that the performance of portfolios originated now may be significantly different from those originated in the past.

No representation is being made by the inclusion of the investment examples and strategies presented herein that the Company will achieve performance similar to the investment examples and strategies herein or avoid loss. There can be no assurance that the investment examples and strategies described herein will meet their objectives generally, or avoid losses. Past performance is no guarantee of future results.

## EXPECTED TIMETABLE

<b>Event</b>	<b>Date</b>
<b>Initial Issue</b>	
Initial Placing and Initial Intermediaries Offer opens	16 September 2020
Latest time and date for receipt of application forms from Intermediaries in respect of the Initial Intermediaries Offer	5.00 p.m. 5 October 2020
Latest time and date for receipt of commitments under the Initial Placing	2.00 p.m. 7 October 2020
Announcement of the results of the Initial Issue	8 October 2020
Initial Admission of the Shares to the Main Market and dealings commence	8.00 a.m. 13 October 2020
CREST accounts credited in respect of Shares issued in uncertificated form	8.00 a.m. 13 October 2020
Certificates despatched in respect of Shares issued in certificated form	week commencing 26 October 2020
<b>Subsequent Issues</b>	
Placing Programme opens	14 October 2020
Admission and dealings in Shares commence	14 October 2020 to 15 September 2021
Second Intermediaries Offer opens	28 January 2021
Latest time and date for receipt of application forms from Intermediaries under the Second Intermediaries Offer	11 February 2021
Third Intermediaries Offer opens	1 April 2021
Latest time and date for receipt of application forms from Intermediaries under the Third Intermediaries Offer	15 April 2021
Final Intermediaries Offer opens	17 June 2021
Latest time and date for receipt of application forms from Intermediaries under the Final Intermediaries Offer	1 July 2021
Publication of Subsequent Intermediaries Offer Price in respect of any Subsequent Intermediaries Offer	the Business Day prior to the close of the relevant Subsequent Intermediaries Offer
Publication of Placing Programme Price in respect of any Subsequent Placing	the Business Day prior to the close of the relevant Subsequent Placing
Results of any Subsequent Issue announced	by close of business on the Business Day following the close of the relevant Subsequent Issue
Admission and dealings in Shares commence	as soon as practicable following each Subsequent Issue
Crediting of CREST accounts in respect of the Shares	8.00 a.m. on each day Shares are issued

**Notes:**

1. *The times and dates set out in the expected timetable above and mentioned throughout this document may be adjusted by the Company, in which event details of the new times and/or dates will be notified, as required, to the FCA and the London Stock Exchange and, where appropriate, to Shareholders and an announcement will be made through a Regulatory Information Service.*
2. *All references to times in this document are to London time, unless otherwise stated.*
3. *Underlying Applicants who apply to an Intermediary to acquire Shares under the Intermediaries Offers will not receive share certificates in respect of any Shares that are allocated to them under the Intermediaries Offers. Underlying Applicants should consult with their Intermediary as to when they will be sent documents in respect of any Shares that are allocated to them and when they may commence dealing in those Shares.*

## ISSUE STATISTICS

### Initial Issue

Initial Issue Price (per Share)	£1.00 per Share
Target Gross Proceeds*	£100 million
Estimated Initial Net Proceeds*	£98.25 million
Estimated Net Asset Value per Share on Initial Admission*	98.25 pence
Minimum Gross Proceeds	£75 million
Maximum number of Shares available under the Initial Issue	500 million

### Subsequent Issues

Maximum number of Ordinary Shares available under the Subsequent Issues	500 million (less any Shares issued pursuant to the Initial Issue)
Placing Programme Price (per Share)	not less than the last published cum income Net Asset Value of each existing Share together with a premium intended to at least cover the costs and expenses of the placing pursuant to the Placing Programme (including, without limitation, any placing commissions), such costs and expenses being estimated at approximately 1.75 per cent. of the amounts raised
Subsequent Intermediaries Offer Price (per Share)	the Net Asset Value per Share two Business Days prior to the close of the relevant Issue plus a premium to such NAV per Share of 1.75 per cent.

\* Assuming that 100 million Shares are issued pursuant to the Initial Issue. The number of Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds and the Initial Net Proceeds, are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service prior to Initial Admission.

## DEALING CODES

ISIN	GB00BN0SM319
SEDOL	BN0SM31
Ticker Code	BRIT
LEI	213800PJJ7NTYKGCLR38

## DEFINITIONS

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

<b>“Administrator”</b>	Northern Trust Global Services SE, UK branch
<b>“Admission”</b>	the admission of the Shares to the premium segment of the Official List and to trading on the Main Market becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
<b>“Admission Condition”</b>	(i) the FCA having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of any Shares arising under the Issues to the Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (“ <b>listing conditions</b> ”)) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the Shares will be admitted to trading on the Main Market
<b>“AIC Code”</b>	the AIC Code of Corporate Governance, as amended from time to time
<b>“AIFM”</b>	Thesis Unit Trust Management Limited
<b>“AIFM Directive” or “AIFMD”</b>	Directive 2011/61/EU of the European Parliament and of the European Council on Alternative Investment Fund Managers
<b>“AIFM Regulations”</b>	the UK Alternative Investment Fund Managers Regulations 2013, as amended from time to time
<b>“Articles” or “Articles of Association”</b>	the articles of association of the Company, as amended from time to time
<b>“Audit Committee”</b>	the committee of this name established by the Board and having the duties described in the section entitled “Audit Committee” in Part 2 of this document
<b>“Auditors”</b>	Deloitte LLP
<b>“Australia”</b>	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or public holiday) on which the London Stock Exchange is open for business
<b>“Canada”</b>	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
<b>“certificated” or “in certificated form”</b>	a share or other security which is not in uncertificated form
<b>“City Code”</b>	the City Code on Takeovers and Mergers

<b>“Commitment Method”</b>	the method for calculating derivative exposure in accordance with Article 8 of the AIFMD Level 2 regulations.
<b>“Common Reporting Standard” or “CRS”</b>	the standard for Automatic Exchange of Financial Account Information, as developed by the OECD
<b>“Companies Act”</b>	the UK Companies Act 2006, as amended from time to time
<b>“Company Secretarial Agreement”</b>	the company secretarial agreement dated 16 September 2020 between the Company and the Company Secretary, further details of which are set out in paragraph 10.4 of Part 5 of this document
<b>“Company”</b>	Tellworth British Recovery & Growth Trust plc, a company incorporated in England and Wales with registered number 12814859
<b>“Company Secretary”</b>	PraxisIFM Fund Services (UK) Limited
<b>“Contract for Differences” or “CFD”</b>	a financial contract that pays the differences in the settlement price between the open and closing trades
<b>“COVID-19 Pandemic”</b>	the outbreak of the infectious disease known as COVID-19, the spread of which was declared as a transnational and continental pandemic by the World Health Organisation on 11 March 2020
<b>“CREST”</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
<b>“Custodian”</b>	The Northern Trust Company
<b>“Depositary”</b>	Northern Trust Global Services SE, UK branch
<b>“Depositary Agreement”</b>	the depositary agreement dated 16 September 2020 between the Company, the Depositary and the AIFM, further details of which are set out in paragraph 10.5 of Part 5 of this document
<b>“Directors” or “Board”</b>	the directors of the Company from time to time and as at the date of this document being Andrew Martin Smith, Paul Dollman, Shauna Bevan and Sir Richard Jewson, and “Director” shall be construed accordingly
<b>“Disclosure Guidance and Transparency Rules”</b>	the disclosure guidance and transparency rules made by the FCA under Part VII of FSMA
<b>“EEA”</b>	European Economic Area
<b>“EEA State”</b>	a member state of the EEA
<b>“ERISA”</b>	the United States Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulation promulgated thereunder
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited
<b>“European Union” or “EU”</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992

<b>“FATCA”</b>	the US Foreign Account Tax Compliance Act 2010 and any regulations made thereunder or in association therewith
<b>“FCA”</b>	the Financial Conduct Authority of the United Kingdom including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>“FCA Handbook”</b>	means the FCA’s handbook of rules and guidance, as amended and updated from time to time
<b>“Final Intermediaries Offer”</b>	the Intermediaries Offer expected to close on 17 June 2021
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>“General Data Protection Regulation” or “GDPR”</b>	Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data
<b>“Gross Assets”</b>	the value of the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
<b>“Gross Proceeds”</b>	the gross proceeds of the Issues
<b>“HMRC”</b>	Her Majesty’s Revenue & Customs
<b>“Initial Admission”</b>	Admission of the Shares issued under the Initial Issue
<b>“Initial Gross Proceeds”</b>	the gross proceeds of the Initial Issue
<b>“Initial Intermediaries Offer”</b>	the initial offer of Shares at the Initial Issue Price by the Intermediaries as described in Part 3 of this document
<b>“Initial Issue”</b>	the issue of Shares at the Initial Issue Price under the Initial Placing and Initial Intermediaries Offer as described in Part 3 of this document
<b>“Initial Issue Price”</b>	£1.00 per Share
<b>“Initial Net Proceeds”</b>	the proceeds of the Initial Issue, after deduction of costs and expenses
<b>“Initial Placing”</b>	the initial placing of Shares at the Initial Issue Price by the Placing Agent on behalf of the Company as described in Part 3 of this document
<b>“Intermediaries”</b>	the entities listed in Part 7 of this document, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offers after the date of this document and <b>“Intermediary”</b> shall mean any one of them
<b>“Intermediaries Booklet”</b>	the booklet entitled Intermediaries Booklet and containing, among other things, the Intermediaries Terms and Conditions
<b>“Intermediaries Offers”</b>	the offers of Shares by the Intermediaries as described in Part 3 of this document, including the Initial Intermediaries Offer and the Subsequent Intermediaries Offers

<b>“Intermediaries Terms and Conditions”</b>	the terms and conditions agreed between the Company and the Intermediaries in relation to the Initial Intermediaries Offer and/or the Subsequent Intermediaries Offers and contained in the Intermediaries Booklet
<b>“Investment Manager” or “BennBridge”</b>	BennBridge Ltd, a company incorporated in England with registered number 10480050, with portfolio management services being provided by members of the Tellworth Investment Team
<b>“ISA”</b>	an individual savings account maintained in accordance with the Individual Savings Account Regulations 1998, as amended from time to time
<b>“Issues”</b>	together, the Initial Issue and the Subsequent Issues
<b>“Japan”</b>	Japan, its cities, prefectures, territories and possessions
<b>“Junior ISA”</b>	a junior ISA maintained in accordance with the Individual Savings Account Regulations 1998, as amended from time to time
<b>“Lead Portfolio Managers”</b>	together, Paul Marriage, John Warren and Johnnie Smith
<b>“Listing Rules”</b>	the listing rules made by the FCA under Part VI of FSMA, as amended from time to time
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Main Market”</b>	the main market for listed securities operated by the London Stock Exchange
<b>“Management Agreement”</b>	the management agreement dated 16 September 2020 between the Company, the AIFM and the Investment Manager, further details of which are set out in paragraph 10.1 of Part 5 of this document
<b>“Management Engagement Committee”</b>	the committee of this name established by the Board and having the duties described in the section titled “Management Engagement Committee” in Part 2 of this document
<b>“Management Shares”</b>	redeemable preference shares of £1.00 each in the capital of the Company held at the date of this Prospectus by Tellworth Investments LLP
<b>“Market Abuse Regulation” or “MAR”</b>	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
<b>“MiFID II”</b>	EU Directive 2014/65/EU on markets in financial instruments, as amended
<b>“MiFID II Product Governance Requirements”</b>	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures
<b>“Minimum Gross Proceeds”</b>	the minimum gross proceeds of the Initial Issue, being £75 million

<b>“Money Laundering Directive”</b>	the Council Directive on prevention of the use of the financial system for the purposes of money laundering or terrorist financing (EU/2015/849) as amended by the Money Laundering Directive (EU) 2018/843 of the European Parliament and of the Council of the European Union of 9 July 2018 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing
<b>“Money Laundering Regulations”</b>	the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended from time to time
<b>“NAV” or “Net Asset Value”</b>	the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) calculated on the basis described in Part 2 of this document and otherwise in accordance with the Company’s accounting policies from time to time
<b>“Net Asset Value per Share” or “NAV per Share”</b>	the proportion of the NAV attributable to a Share
<b>“Nomination Committee”</b>	the committee of this name established by the Board and having the duties described in the section entitled “Appointment and re-election of Directors” in Part 2 of this document
<b>“OECD”</b>	the Organisation for Economic Co-operation and Development
<b>“Official List”</b>	the official list maintained by the FCA
<b>“Ordinary Shares” or “Shares”</b>	ordinary shares of £0.01 each in the capital of the Company
<b>“Placees”</b>	the persons with whom the Shares are placed pursuant to the Initial Placing and/or the Placing Programme
<b>“Placing”</b>	any placing of Shares pursuant to the Initial Placing or the Placing Programme (as the context requires)
<b>“Placing Agent” or “Numis”</b>	Numis Securities Limited
<b>“Placing Agreement”</b>	the conditional placing agreement dated 16 September 2020, between the Company, the Directors, the Investment Manager and the Placing Agent, further details of which are set out in paragraph 10.2 of Part 5 of this document
<b>“Placing Programme”</b>	the conditional programme of placings of up to 500 million Shares (less the aggregate number of Shares issued pursuant to the Initial Issue) by the Placing Agent pursuant to the Placing Agreement
<b>“Placing Programme Price”</b>	the price at which Shares will be issued pursuant to a Subsequent Placing under the Placing Programme to Placees, as set out in Part 3 of this document
<b>“Premium Listing Principles”</b>	the principles applying to companies admitted to the premium listing segment of the Official List, contained within chapter 7 of the Listing Rules



<b>“PRIIPs Regulation”</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance based investment products (PRIIPs) and its implementing and delegated acts
<b>“Prospectus”</b>	this document
<b>“Prospectus Regulation”</b>	Regulation (EU) No. 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>“PVML”</b>	Progressive Value Management Limited, a company incorporated in England and Wales with registered number 03859279, whose registered office is at Mermaid House, Puddle Dock, London EC4V 3DB
<b>“Registrar” or “Receiving Agent”</b>	Equiniti Limited
<b>“Registrar Agreement”</b>	the agreement dated 16 September 2020, between the Company and the Registrar, further details of which are set out in paragraph 10.6 of Part 5 of this document
<b>“Regulation S”</b>	Regulation S under the U.S. Securities Act
<b>“Regulatory Information Service” or “RIS”</b>	a Regulatory Information Service approved by the FCA and on the list of regulatory information services maintained by the FCA
<b>“Relevant State”</b>	each member of the EU, the EEA EFTA states and the United Kingdom
<b>“Remuneration Committee”</b>	the committee of this name established by the Board and having the duties described in the section titled “Remuneration Committee” in Part 2 of this document
<b>“Republic of South Africa”</b>	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub divisions thereof
<b>“Restricted Jurisdiction”</b>	means any jurisdiction where the extension or availability of the Issues would breach applicable law
<b>“Second Intermediaries Offer”</b>	the Intermediaries Offer expected to close on 11 February 2021
<b>“Shareholder”</b>	a holder of Shares
<b>“Significant Presence in the UK”</b>	a company has a “Significant Presence in the UK” if, at the time of investment, it is incorporated, headquartered, and/or has its principal place of business in the UK, and if it exercises a material part of its economic activities in the UK
<b>“SIPP”</b>	a self invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK

<b>“Sponsor”</b>	Dickson Minto W.S.
<b>“SSAS”</b>	a small self-administered pension scheme
<b>“Sterling” or “£”</b>	pounds sterling, being the lawful currency of the United Kingdom
<b>“Subsequent Admissions”</b>	any admission of Shares to the Official List and to trading on the Main Market pursuant to any Subsequent Issues
<b>“Subsequent Intermediaries Offers”</b>	the offers of Shares at the Subsequent Intermediaries Offers Price by the Intermediaries following the Initial Intermediaries Offer as described in Part 3 of this document
<b>“Subsequent Intermediaries Offers Price”</b>	the price at which Shares will be issued under the Subsequent Intermediaries Offers which will be calculated as described in Part 3 of this document
<b>“Subsequent Issues”</b>	the issue of Shares at the relevant Placing Programme Price or Subsequent Intermediaries Offers Price (as applicable) under the Placing Programme and/or Subsequent Intermediaries Offers as described in Part 3 of this document
<b>“Subsequent Placing”</b>	any placing of Shares, other than under the Initial Placing, pursuant to the Placing Programme described in this document
<b>“Tax Act”</b>	the Corporation Tax Act 2010, as amended from time to time
<b>“Tellworth Investments”</b>	the fund management business established by Paul Marriage and John Warren which carries out investment management and advisory services through the Investment Manager
<b>“Tellworth Investments LLP”</b>	Tellworth Investments LLP, a limited liability partnership incorporated in England (registered number OC417414) with its registered office at Windsor House Station Court, Station Road, Great Shelford, Cambridge, CB22 5NE
<b>“Tellworth Investment Team”</b>	the investment professionals at the Investment Manager, including the Lead Portfolio Managers and other professionals who have been assigned to the Investment Manager by Tellworth Investments LLP, who are responsible for the management of the Company’s portfolio
<b>“Third Intermediaries Offer”</b>	the Intermediaries Offer expected to close on 15 April 2021
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST

<b>“Underlying Applicant”</b>	investors who apply to an Intermediary to acquire Shares under the Intermediaries Offers
<b>“United States” or “U.S.”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia, and all other areas subject to its jurisdiction
<b>“U.S. Investment Company Act”</b>	the United States Investment Company Act of 1940, as amended
<b>“U.S. Person”</b>	has the meaning given in Regulation 3 of the US Securities Act
<b>“U.S. Securities Act”</b>	the US Securities Act of 1933, as amended
<b>“VAT”</b>	value added tax

## DIRECTORS, AIFM, INVESTMENT MANAGER AND OTHER ADVISERS

<b>Directors</b>	Andrew Martin Smith ( <i>Chairman</i> ) Paul Dollman Shauna Bevan Sir Richard Jewson  all non-executive and care of Level 13 Broadgate Tower, 20 Primrose Street, London, EC2A 2EW
<b>AIFM</b>	Thesis Unit Trust Management Limited Exchange Building St John's Street Chichester West Sussex PO19 1UP
<b>Investment Manager</b>	BennBridge Ltd C/O Windsor House 5 Station Court Station Road Great Shelford Cambridge CB22 5NE
<b>Company Secretary</b>	PraxisIFM Fund Services (UK) Limited 1st Floor Senator House 85 Queen Victoria Street London EC4V 4AB
<b>Sponsor and solicitors to the Company as to English law</b>	Dickson Minto W.S. Broadgate Tower 20 Primrose Street London EC2A 2EW
<b>Placing Agent</b>	Numis Securities Limited The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT
<b>Administrator</b>	Northern Trust Global Services SE 50 Bank Street Canary Wharf London E14 5NT
<b>Auditors</b>	Deloitte LLP 1 New Street Square London EC4A 3HQ
<b>Registrar and Receiving Agent</b>	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

<b>Depository</b>	<p>Northern Trust Global Services SE  10 Rue du Château d'Eau  L-3364 Leudelange  Grand-Duché de Luxembourg</p> <p>Acting through its UK branch:  50 Bank Street  Canary Wharf  London E14 5NT</p>
<b>Custodian</b>	<p>The Northern Trust Company  50 South LaSalle Street  Chicago  Illinois  USA</p> <p>Acting through its London branch:  50 Bank Street  Canary Wharf  London E14 5NT</p>
<b>Solicitors to the Placing Agent as to English Law</b>	<p>Gowling WLG (UK) LLP  4 More London Riverside  London SE1 2AU</p>

## PART 1

### TELLWORTH BRITISH RECOVERY & GROWTH TRUST PLC

#### **Introduction**

Tellworth British Recovery & Growth Trust plc (the “**Company**”) is a new closed-ended investment company with an indefinite life. The Company is seeking to raise approximately £100 million under the Initial Issue which will be invested in a portfolio consisting principally of UK listed companies that have a Significant Presence in the UK in order to achieve its objective of generating long-term total returns over a rolling five year period.

The Company will have a single class of ordinary shares in issue, which will be listed on the premium segment of the Official List and traded on the London Stock Exchange’s Main Market.

The Company has appointed Thesis Unit Trust Management Limited (the “**AIFM**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company. The AIFM and the Company have appointed BennBridge Ltd (the “**Investment Manager**”) to manage the Company’s portfolio of investments.

Tellworth Investments is a specialist equity investment business, established by Paul Marriage and John Warren in 2017, which carries out investment management and advisory services through the Investment Manager. Tellworth Investments LLP is not FCA authorised to manage investments and cannot therefore be appointed directly by the Company to manage the investments of the Company. However, Tellworth Investments LLP has assigned its members and employees to BennBridge Ltd, the Investment Manager of the Company, so that Tellworth Investments LLP’s members can manage the Company’s portfolio under BennBridge Ltd’s supervision and regulatory cover.

The Tellworth Investment Team, and in particular the Lead Portfolio Managers (being Paul Marriage, John Warren and Johnnie Smith), have significant experience in UK equities, with Paul Marriage having over 20 years’ experience in managing UK equities mandates and John Warren having over 18 years of investment experience. Paul Marriage and John Warren have particular expertise in small and mid-cap stock picking and the core of their investment strategy throughout their careers has been to invest in companies with significant UK operations and/or management, specifically choosing not to invest in overseas companies whose only connection to the UK is admission to trading on the London Stock Exchange. As at 11 September 2020 Tellworth Investments, through BennBridge, has over £690 million of assets under management in UK equity strategies.

Further information on the Investment Manager, the Tellworth Investment Team and the AIFM is set out in Part 2 of this Prospectus.

#### **Investment objective and policy**

The objective of the Company is to generate long-term total returns over a rolling five year period by investing principally in UK listed companies.

#### ***Investment policy***

The Company seeks to achieve its investment objective by investing principally in securities listed on any regulated market in the UK and issued by companies with a Significant Presence in the UK. The Company may also invest up to 10 per cent. of its Gross Assets (calculated at the time of investment) in unquoted companies with a Significant Presence in the UK.

A company has a “Significant Presence in the UK” if, at the time of investment, it is incorporated, headquartered, and/or has its principal place of business in the UK, and if it exercises a material part of its economic activities in the UK.

The Company will principally invest in equities and equity-related securities (including preference shares, convertible unsecured loan stock, rights, warrants and other similar securities). The Company may also, from time to time, in pursuance of the investment objective, hold other securities and instruments, hold cash and cash equivalents, and invest in index funds and exchange traded funds. Derivative instruments may be held for efficient portfolio management and for gearing purposes.

Notwithstanding the above, the Company does not intend to utilise derivatives or other financial instruments to increase the Company's gearing in excess of the limit set out in the gearing policy below, and any restrictions set out in this investment policy shall apply equally to exposure through derivatives.

The Company will invest no more than 15 per cent. of its Gross Assets in any single holding or in the securities of any one issuer (calculated at the time of investment). There are no pre-defined maximum or minimum exposure levels for any single sector, but these exposures are reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company will be restricted from entering into a derivative instrument if, as a result, its exposure to all such instruments would exceed 20 per cent. of its Gross Assets.

The Company is not restricted to investing in the constituent companies of any benchmark. The exact number of individual holdings will vary over time but typically the portfolio will consist of approximately 35 to 45 investments.

In order to comply with the Listing Rules, the Company will not invest more than 10 per cent. in aggregate of Gross Assets in other listed closed-ended investment funds, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed closed-ended investment funds. Additionally, in any event the Company will itself not invest more than 15 per cent. of its Gross Assets in other investment companies or investment trusts which are listed on the Official List.

The Company may deploy gearing to seek to enhance long-term capital growth and for the purposes of capital flexibility and efficient portfolio management. The Company may be geared through bank borrowings, the use of derivative instruments that have the effect of gearing the Company's portfolio, and any such other methods as the Board may determine. Gearing will not exceed 25 per cent. of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate.

Any material change in the Company's investment policy will require the approval of Shareholders at a general meeting. In the event of a breach of the Company's investment policy, the Directors will announce through a Regulatory Information Service the actions which will be taken to rectify the breach.

### **Investment opportunity and outlook**

The UK has a diverse economy and a well developed capital markets system. The culture of financing and growing a business through a stock market listing is well established. As a result of the collective effect of the challenges arising from Brexit, the COVID-19 Pandemic and other political factors, the Tellworth Investment Team believes that many companies listed on the UK stock market are currently undervalued.

The Investment Manager believes that low interest rates, structural changes to industry profit outlooks and a volatile political and economic backdrop have driven significant widening of the range of valuations (in particular the price to earnings ratio) in the UK equity market. The difference between the median profit to earnings ratio of the top quartile of the UK equity market and the median profit to earnings ratio of the bottom quartile is at a 15 year high. The Tellworth Investment Team believes this presents an opportunity for stock-pickers and that there are attractive opportunities at both ends of the market, with some very high quality growth companies justifying high valuations and some very high quality businesses that have much better profit outlooks than the market currently values. The Investment Manager believes the mixture of value and growth positions makes the Company an attractive 'all-weather' option.

The impact on trading being seen in many industries as a result of the COVID-19 Pandemic is likely to cause impacts on demand over several years. This reduction in demand is very much out of the control of many of these businesses and previously strong companies may face significant challenges going forward. In order to survive these challenges and return to growth, companies are likely to require further equity in the short to medium term. The Investment Manager believes this requirement for equity is likely to offer significant value for those taking a long-term approach and therefore offers investors the opportunity to enter the market at attractive valuations.

In addition, the Investment Manager believes that the ability of UK listed businesses to access significant equity investment is also likely to give them a competitive advantage. UK listed businesses have already been able to raise significant equity in the markets in the months since the initial impact of the COVID-19 Pandemic. As the economy re-opens and government support schemes are withdrawn, the Investment Manager believes it is likely that many private businesses will struggle to gain access to the funding they require to return to trading or to grow and that this is likely to give listed businesses a competitive advantage as supply in industries is reduced through corporate failures. The Tellworth Investment Team

believes this will provide a good backdrop for the growth and recovery of UK listed businesses who are able to access capital markets more freely.

The Investment Manager also believes that the UK possesses leading technology and innovation capabilities resulting from a highly skilled workforce and a strong academic sector and that a recovery of the UK economy will benefit from a refocus away from low skilled services to technology and innovative industries. The Investment Manager believes that this will lead to a strong IPO pipeline in relation to these generally fast growth businesses in the coming years.

The Investment Manager believes that, in order to take advantage of these opportunities, investors should consider investments in carefully selected stocks in three different categories of companies: ‘British Global Leaders’, ‘British Recovery’ and ‘British Technology’, as discussed in more detail below.

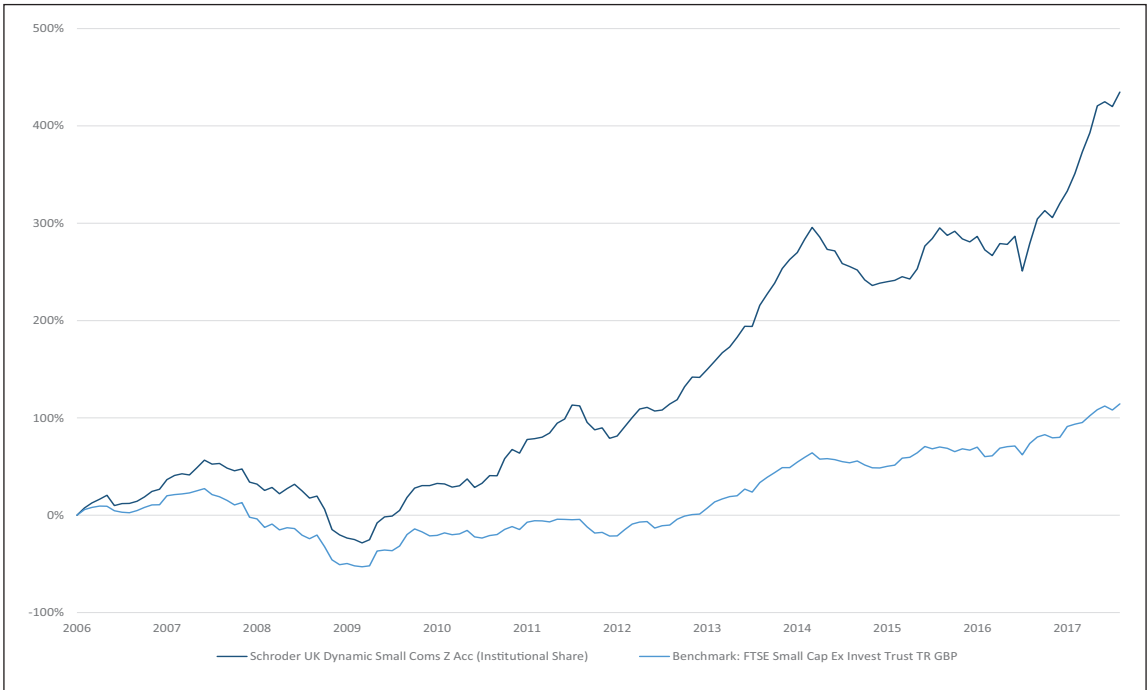
The Tellworth Investment Team has a strong investment track record over the long-term (as shown in the charts and tables below), which it believes is driven by successful stock selection underpinned by robust fundamental analysis. The Tellworth Investment Team believes that a closed-ended investment trust structure is well suited to their investment style and will enable them to pursue a long term investment approach, as regards the current investment opportunities, which is not available through Tellworth Investments’ existing funds.

The Tellworth Investment Team believes that these core investment principles, against the backdrop of what it believes is an undervalued UK market, present an attractive investment opportunity for investors seeking to generate long-term returns through exposure to UK companies at various stages of the growth cycle.

**Past performance of the Tellworth Investment Team**

As at 11 September 2020 Tellworth Investments, through BennBridge, has over £690 million of assets under management in UK equity strategies. Paul Marriage and John Warren co-founded and lead the Tellworth Investment Team, which is comprised of five other members. The team have managed numerous portfolios throughout their investment careers which include both long only and long/short strategies in the UK and Europe. Paul Marriage and John Warren worked together at Schroders from September 2010 before setting up Tellworth Investments in October 2017.

The following chart shows the investment performance record of the Schroder UK Dynamic Smaller Companies Fund relative to the FTSE Small Cap ex. Investment Trust benchmark. Paul Marriage took over management of this fund in January 2006 with John Warren being appointed co-manager in 2010.

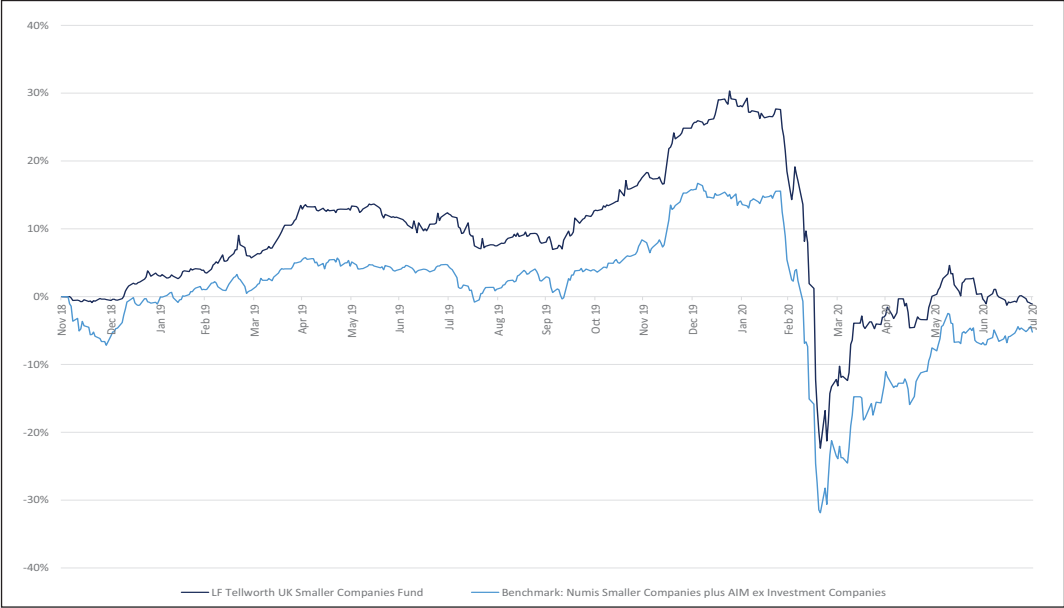


Source: Bloomberg

Returns quoted denote performance from 01/01/2006 – 31/07/2017. Returns quoted are net of fees on the Z Acc Institutional share class. The index refers to FTSE Small Cap.

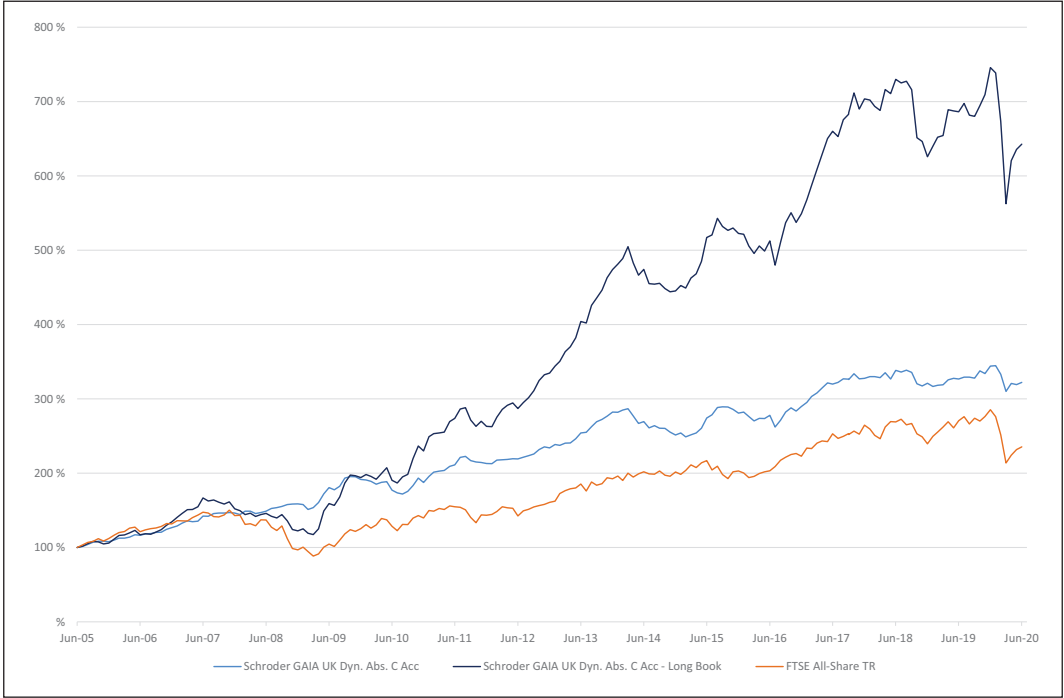


The LF Tellworth UK Smaller Companies Fund was launched in November 2018 by Tellworth Investments. The fund has been managed using the same investment philosophy and process as the previous strategy that was used for the Schroder UK Dynamic Smaller Companies Fund, for which the track record is set out above. The chart below shows the performance of the LF Tellworth UK Smaller Companies Fund since inception relative to the Numis Smaller Companies plus AIM ex Investment Companies.



Source: Bloomberg  
 Returns quoted denote performance from 30/11/2018 – 30/06/2020. Returns quoted are net of fees on the F Acc Institutional share class. The index refers to Numis Smaller Companies plus AIM ex-Investment Companies Index.

Paul Marriage has been a portfolio manager on the Schroder UK Dynamic Absolute Return Funds since November 2005 when he joined Cazenove Capital and has been assisted by members of the Tellworth Investment Team from 2010 onwards when he became lead portfolio manager. The chart below shows the past performance of the long portfolio within the UK Dynamic strategy against the benchmark and the strategy itself. The strategy has always invested across the market cap spectrum.



Source: Landy Tech. Schroder UK Dynamic Absolute Return Fund launched in September 2009. Prior to September 2009 the fund uses the track record of Cazenove UK Dynamic Absolute Return Fund (launched 16 May 2005) as a performance track record. BennBridge Ltd is the appointed investment manager from 2 October 2017.

The past performance of Tellworth Investments, the Tellworth Investment Team and/or the above funds is not necessarily a guide to the future performance of the Company. The above information is not related to the Company. The LF Tellworth UK Smaller Companies Fund, Schroder UK Dynamic Smaller Companies Fund and the Schroder UK Dynamic Absolute Return Funds are open-ended funds. They have different investment policies and universes than the Company and they operate with less concentrated portfolios.

## **Investment strategy**

### ***The Tellworth Investment Team's three paths to profitable investments***

#### *British Global Leaders*

The UK is home to many world leading public companies. The Lead Portfolio Managers have developed a stock selection methodology which they have used for many years and which has helped them find such companies at an early stage. The Tellworth Investment Team calls this 'P3M' investing.

In implementing this methodology, the Tellworth Investment Team will seek companies that exhibit the following characteristics.

- **Product** – Companies that offer a differentiated product, possess their own intellectual property and demonstrate strong levels of R&D.
- **Market** – Companies that demonstrate strong global market positions.
- **Margin** – Companies that demonstrate an ability to grow their margin over time and generate high returns on capital and cash.
- **Management** – Companies whose management have a demonstrable shareholder value approach and who own stock in the company.

The Tellworth Investment Team has previously identified a number of companies through this methodology and believes that the Company's investment portfolio should be exposed to a number of existing and future 'British Global Leaders'.

#### *British Recovery*

The Tellworth Investment Team believes that the COVID-19 Pandemic has created an unprecedented dislocation in markets and significant revenue and profit growth gaps for many companies. This has left many businesses at depressed valuations while prospects remain uncertain and the need for equity capital is increasing. In the light of this, the Tellworth Investment Team feels there are some significant value opportunities arising to acquire stakes in fundamentally strong businesses and brands at very attractive long-term entry prices. The Tellworth Investment Team has a long history of seeking value opportunities and it looks for companies where management teams can identify clear opportunities to improve corporate profitability and the quality and sustainability of those earnings, while strengthening their balance sheets.

British Recovery companies chosen for the Company's portfolio will, in the Investment Manager's opinion, have good underlying prospects but will be temporarily or cyclically challenged by market conditions. The Tellworth Investment Team will look for the catalyst that will drive the improvement in the outlook for these companies, which can often be management change, the addition of new capital to enable the business to return to growth or a change in the demand or supply characteristics in the relevant sector or industry.

The current economic environment means that more companies are currently falling into this category and the Tellworth Investment Team believes that given the diverse nature of the UK equity markets and the dynamic way in which many industries and the economy as a whole are changing, such opportunities are likely to persist for many years.

#### *British Technology*

The Tellworth Investment Team believes that the UK has a very strong technology sector encompassing hardware and software, high tech manufacturing and medical technology. This is supported by a leading education and university sector and a supportive research industry. The Tellworth Investment Team's strengths have historically been in identifying and supporting companies that are in the early stage of

revenue growth and which have approved products, through the path to growth. Companies in this category are expected to have high levels of intellectual property and R&D and a large addressable market. The Tellworth Investment Team believes that UK technology companies have a tendency to be acquired by international peers which creates value and the opportunity to recycle capital in this area. The Investment Manager would expect to support fundraisings in this category. The permanent nature of the capital available to the Company will also allow the Investment Manager to take a long-term view on the success of these companies and, subject to available cash resources, support multiple fundraisings should the need arise.

### ***A multi-cap approach***

The Tellworth Investment Team believes that there are investment opportunities across the market capitalisation scale. Paul Marriage and John Warren have been operating in line with this principle since 2006 and 2010 respectively with the UK Dynamic Fund range. The Tellworth Investment Team expects that a broad range of companies in the 'British Global Leaders' category will have the ability to use the Company's longer-term capital, allowing the Company to hold emerging companies from small beginnings on the AIM market through to FTSE 100 success. Unlike smaller or mid-cap specialist funds, the Company would not be forced to exit these businesses as they grow.

The Tellworth Investment Team expects to see the highest proportion of smaller cap companies within the 'British Technology' category. In the Tellworth Investment Team's experience, technology companies rarely evolve smoothly, will almost always start small and their market capitalisations often become more volatile as they mature and new technology challenges their market position and profitability.

### ***Unlisted investments***

The Tellworth Investment Team often meet potential IPO candidates many months before they list. The team believes this may offer an interesting pre-IPO or late stage investment opportunity. The Investment Manager believes that the Company, with its longer-term view, should be in a strong position to take advantage of such opportunities if they fit within the Company's investment policy. The Tellworth Investment Team believes that it would be most likely that such unlisted investments would be within the 'British Technology' category. However, the Investment Manager believes that it is unlikely that the Company will invest in private companies during the first six months following Initial Admission given the number of listed companies that the Investment Manager believes currently demonstrate significant long-term value.

### ***The Company's commitment to the UK***

When assessing whether a company exercises a material part of its economic activities in the UK for the purposes of determining whether it has a "Significant Presence in the UK" in accordance with the Company's investment policy, the Tellworth Investment Team will consider, among other factors, the proportion of a potential investee company's UK turnover, the proportion of its staff that are employed in the UK and the level of R&D activity in the UK. The Tellworth Investment Team will actively seek companies that are UK based and headquartered and that have significant UK activities in research, development, production or services without which their business could not thrive.

The core of the Lead Portfolio Managers' investment strategy throughout their careers has been to support companies with significant UK operations, specifically choosing not to invest in overseas companies whose only connection to the UK is admission to trading on the London Stock Exchange. In managing the Company's portfolio, the Tellworth Investment Team aims to take its existing process a step further by applying the following UK employment targets for investee companies falling within each of the three categories of investment outlined above.

1. British Global Leaders – 20 per cent. of the business's staff must be based in the UK at the time of investment.
2. British Recovery – 50 per cent. of the business's staff must be based in the UK at the time of investment.
3. British Technology – 25 per cent. of the business's staff must be based in the UK at the time of investment.

The Tellworth Investment Team acknowledges that as the growth companies (particularly in the technology sector) in which the Company is invested expand their operations, they may become more global in nature and the percentage of their economic activity in the UK may decrease. After supporting a UK business through the growth cycle to a successful expansion of its operations, the Investment Manager does not wish to be 'forced' to sell a performing investment simply because the economic connection with the rest of the world has increased. Therefore, over time, the Company's portfolio may include investments that do not meet the above employment percentages at a particular point in time and/or that are global in their operations.

### ***Investment process***

The most significant source of investment ideas for the Company's portfolio will come through the Tellworth Investment Team's extensive network of industry contacts and company visits. The team will visit many of the Company's potential investee companies at least once before the Company invests in them.

These meetings are recorded on the Tellworth Investment Team's central database and the team uses an internal scoring system to gauge the immediate and longer-term attractiveness of the stock. This analysis will take in to account the Tellworth Investment Team's view of the investee company's strategy, its competitive position, the quality of its management and market expectations in relation to its financial performance.

Every investment decision implicitly includes a macro assessment. All investee company research also includes an assessment of environmental, social and governance factors, further details of which are set out below.

### ***Stock selection approach***

The Tellworth Investment Team believes that its investment universe consists of approximately 1,300 stocks. The team will employ a three stage process to source investments for the Company's portfolio and each of these stages will be applied when a new investment opportunity is presented to the team for inclusion within the Company's portfolio.

#### *Stage 1 – Key rules*

The Tellworth Investment Team will apply several screens to any new investment opportunity. These include excluding all companies that are involved in the extraction of oil, gas and other natural resources and including only companies with a Significant Presence in the UK.

The stock must fall within one of the three categories outlined above, being 'British Global Leaders', 'British Recovery' and 'British Technology'. The stated employment targets as outlined in the "Investment strategy" section above will then be applied to the potential investment in line with its categorisation to determine whether it qualifies for consideration under stage 2.

#### *Stage 2 – Proprietary screens and models*

The Tellworth Investment Team believes that the actual investment universe following the application of the stage 1 rules consists of approximately 600 stocks. In stage 2, the team will utilise a variety of proprietary screens and models to help narrow down the investment universe further so that fundamental research time is better spent on stage 3 and to shape the portfolio to achieve the right balance of 'British Global Leaders', 'British Recovery' and 'British Technology' companies in the portfolio at any one time.

#### *Stage 3 – Bottom up stock selection*

The core of the Tellworth Investment Team's approach will be bottom up stock selection. The team will meet with a wide range of companies from various sectors on a regular basis and believes such meetings are a core part of the investment process. The Tellworth Investment Team is well known in the UK equities sector and has significant access to company management teams across the market capitalisation range.

### ***Active ownership***

Fundamental to the Tellworth Investment Team's investment approach will be the principle of active ownership. In pursuit of this, the team will adopt the following guiding principles and values as regards its relationship with investee companies.

- The Tellworth Investment Team will actively engage with the management of every company in which it invests.
- Investee companies should be left to run themselves, but the Investment Manager will intervene as an activist if needed.
- The Investment Manager will vote on all the Company's holdings unless it is restricted from doing so.

In addition, the Tellworth Investment Team retains PVML, an independent specialist in obtaining value for institutional investors from illiquid and underperforming equity-related assets, to advise on governance, activism and engagement issues.

### ***Environmental, Social and Governance considerations***

The investment process is not led by Environmental, Social and Governance considerations but it is an integral part of the process. The Tellworth Investment Team adheres to the UK Stewardship Code, recognising itself as a long-term steward of its clients' capital.

### ***A balanced portfolio***

The typical maximum value of any one investee company in the Company's portfolio is likely to be five per cent. However, in some circumstances, the Investment Manager will allow a position to grow beyond five per cent. without adding new additional capital to the position. This will allow the Company to benefit in the case of significant 'winners' within the portfolio. The exact number of individual holdings will vary over time but typically the Investment Manager expects that the portfolio will consist of approximately 35 to 45 investments. Small and mid-caps may be overweight given that the Lead Portfolio Managers have particular expertise in these areas, and their belief that these parts of the equity market can offer attractive returns to shareholders.

The Investment Manager expects that the portfolio weightings in terms of growth, recovery and technology stocks will be approximately 40 per cent., 40 per cent. and 20 per cent. respectively. The Investment Manager also expects that the weightings by market capitalisation will be approximately 60 per cent. in stocks with market capitalisations of less than £1 billion and 40 per cent. in stocks with market capitalisations of greater than £1 billion. The Investment Manager also expects that the median market capitalisation of the stocks held in the portfolio will be between £1-2 billion. These percentages should be seen as representative of the initial portfolio and the Investment Manager will remain flexible on these weightings in order to capture opportunities as they arise. These percentages should be seen as representative of the initial portfolio and the Investment Manager will remain flexible on these weightings in order to capture opportunities as they arise. The Investment Manager does not expect cash to exceed ten per cent. of Net Asset Value and would normally expect it to stand within a range of 0-5 per cent. of Net Asset Value. The Investment Manager will keep investors regularly updated with the portfolio splits between the three categories of 'British Global Leaders', 'British Recovery' and 'British Technology', and likewise the market capitalisation range and liquidity profile of the Company's portfolio.

### ***Approach to risk***

Risk management operates mostly at the investment level as the Investment Manager believes that the best way to avoid losses is to invest in businesses where the Investment Manager has a strong understanding of the business model, the company's financials and the opportunities and risks that the business faces going forward. Where the risks are higher, the Investment Manager would look to be compensated for that additional risk through lower valuation on entry and more potential upside in the investment. Risk is also managed at a portfolio level by ensuring the Company has a well diversified portfolio with a spread of risks across size and sector. The Investment Manager will receive a daily risk report from Landy Partners, its outsourced risk specialists, covering key information such as beta, gearing, liquidity and scenario analysis of the likely performance in various market events. A daily review of this information is a key tenet of the portfolio risk management process.

The Lead Portfolio Managers will ultimately determine the investee companies that will make up the Company's investment portfolio subject to the Company's investment policy and the guidelines laid down by the Board from time to time. Further details of the Lead Portfolio Managers are set out in Part 2 of this Prospectus.

## **Dividend policy**

The Company does not have any policy to achieve any specified level of income or dividend. It is not envisaged that dividends will be paid in the early years of the Company's life (other than if required under relevant legislation as set out below). However, over the longer-term, if the income received from the Company's investments materially exceeds the Company's annual expenses, the Company expects to pay dividends.

The Company intends to conduct its business so as to satisfy the conditions to obtain and retain approval as an investment trust under section 1158 of the Tax Act. In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

## **Borrowings and gearing**

The Company has the power under its Articles to borrow money. The Company may deploy gearing to seek to enhance long-term capital growth and for the purposes of capital flexibility and efficient portfolio management. The Company may be geared through bank borrowings, the use of derivative instruments that have the effect of gearing the Company's portfolio and any such other methods as the Board may determine. Gearing will not exceed 25 per cent. of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate. It is intended that Contracts for Differences will be used by the Company for gearing purposes from Initial Admission. It is not intended that the Company will put in place bank borrowings in the near future.

## **Capital structure and life of the Company**

### ***Share capital***

Immediately following Initial Admission, the share capital of the Company will consist of one class of ordinary shares. At any general meeting of the Company, each Shareholder will have on a show of hands one vote and on a poll one vote in respect of each Share held. Shareholders are entitled to such dividends (if any) as are declared by the Company and are entitled, on a return of capital on a winding up or otherwise, to all undistributed revenue of the Company and to the residual capital of the Company which remains after satisfying any liabilities.

### ***Duration and continuation votes***

The Company does not have a fixed life. Under the Articles, the Board is obliged:

- if the net asset value of the Company as at 31 December 2022 is not at least £150 million, at the annual general meeting of the Company held in 2023; and
- at the annual general meeting of the Company held in 2026 and at every fifth annual general meeting thereafter,

to propose an ordinary resolution that the Company continues its business as a closed-ended investment trust.

If any such continuation vote is not passed at any general meeting at which it is proposed, the Directors shall, within six months of such vote, convene a general meeting of the Company to consider a special resolution to approve the reconstruction, reorganisation or winding up of the Company which, if passed, will provide Shareholders with an option to elect to realise their investment in the Company in full at close to the Net Asset Value per Share.

### ***Share buy backs and discount control policy***

The Company has shareholder authority (subject to all applicable legislation and regulations) to purchase in the market up to 14.99 per cent. of the Shares in issue immediately following Initial Admission. This authority will expire at the conclusion of the first annual general meeting of the Company or, if earlier, eighteen months from the date of the ordinary resolution. The Board intends to seek renewal of this authority from Shareholders at each annual general meeting.

The Board recognises the need to address any sustained and significant imbalance between buyers and sellers which might otherwise lead to the Shares trading at a material discount or premium to the Net Asset Value per Share. The Board will aim, through effecting buybacks of the Company's Shares if necessary, to ensure the Shares do not trade, over the longer term, at a discount of greater than five per cent. to the Net Asset Value per Share in normal market conditions.

In addition, if over the period from Initial Admission to 31 December 2025 the Company's Net Asset Value per Share total return does not exceed the total return on the FTSE All Share Index, then the Board intends to bring forward proposals that shall provide an option to Shareholders to realise their investment at close to Net Asset Value.

If the Board does decide that the Company should repurchase Shares, purchases will only be made through the market for cash at prices below the estimated prevailing Net Asset Value per Share and where the Board believes such purchases will result in an increase in the Net Asset Value per Share. Such purchases will only be made in accordance with the Companies Act and the Listing Rules, which currently provide that the maximum price to be paid per Share must not be more than the higher of (i) five per cent. above the average of the mid-market values of the Shares for the five Business Days before the purchase is made and (ii) the higher of the last independent trade and the highest current independent bid for the Shares.

As approved by a special resolution passed on 14 September 2020, the Company intends to cancel its share premium account shortly following Initial Admission by way of a court order, in order to be able to make share repurchases out of the Company's distributable reserves.

**Prospective Shareholders should note that the exercise by the Board of the Company's powers to repurchase Shares is entirely discretionary and they should place no expectation or reliance on the Board exercising such discretion on any one or more occasions. Moreover, prospective Shareholders should not expect as a result of the Board exercising such discretion, to be able to realise all or part of their holding of Shares, by whatever means available to them, at a value reflecting their underlying Net Asset Value.**

## PART 2

### DIRECTORS, AIFM, INVESTMENT MANAGER AND ADMINISTRATION OF THE COMPANY

#### **The Directors**

The Directors, each of whom is independent and non-executive, are responsible for the determination of the investment policy of the Company and its overall supervision. Whilst certain responsibilities have been delegated to the AIFM and the Investment Manager, a schedule of matters specifically reserved for the Board's decision has been adopted by the Board. Board members will also engage with the Investment Manager regarding the Company's investments. The Directors are as follows:

#### **Andrew Martin Smith (Chairman)**

Andrew was Chief Executive of Hambros Fund Management when it merged with Guinness Flight in 1997. In 2000 he joined Berkshire Capital Securities, a corporate adviser to the fund management industry, before joining Guinness Asset Management in 2005 as a senior adviser. He is currently a director of Guinness Asset Management Limited and a director of Guinness Asset Management Funds plc, an open-ended umbrella investment company incorporated in Ireland and authorised by the Central Bank of Ireland. He is also a non-executive director of both Church House Investments Limited and TR European Growth Trust plc.

Andrew was also a non-executive director of Atlantis Japan Growth Fund Limited and M&G High Income Investment Trust, both UK listed companies. He is a member of the Chartered Institute for Securities and Investment and was qualified as a general securities principal for FINRA.

#### **Paul Dollman (Chairman of the Audit Committee)**

Paul was Group Finance Director at John Menzies PLC between 2002 and 2013. He is currently a non-executive director and Audit Chair of Wilmington plc, Air Partner plc, and Etihad Topco Limited, trading as Verastar. He is also a non-executive director of Scottish Amicable Life Assurance Society (part of Prudential plc). Previously, he was a non-executive director and Chairman of the audit committee of Arqiva group companies and a non-executive director and Chairman of Smart Metering Systems plc.

In an executive capacity, Paul has previously held the position of Finance Director at William Grant & Sons Management Limited and Inveresk PLC as well as a variety of roles at Clydesdale Group and PriceWaterhouseCoopers LLP. He also sits on the boards of both St. Leonard's School and Edinburgh Academy Trading Limited and is a member of The Competition Appeals Tribunal.

#### **Shauna Bevan**

Shauna has been Head of Investment Advisory at RiverPeak Wealth Limited since January 2017 having started her investment career as a fund analyst with Merrill Lynch in 1999. From 2003 until 2016, she was co-head of fund research and manager of the Collectives Portfolio Service at national wealth manager, Charles Stanley. At Charles Stanley she was also co-manager of the IM Matterley International Growth portfolio, a fund of funds.

She is a Chartered Member of the Chartered Institute for Securities and Investment and outside of her executive role is a governor of Cumnor House School Sussex and a director of Chartered Accountants' Trustees Limited.

#### **Sir Richard Jewson**

Sir Richard Jewson joined Jewson, the timber and building merchant, in 1965. He went on to become Managing Director and then Chairman of its holding company, Meyer International plc, from which he retired in 1993. He served as Non-Executive Chairman of Savills plc for 10 years and was a non-executive director and Deputy Chairman of Anglian Water for 14 years, stepping down from these boards in 2004 and 2005 respectively. He also sat as a non-executive director of Grafton Group plc, the London Stock Exchange-listed and Dublin-headquartered building merchants, from 1995 until 2013. He was also the Chairman of Archant Limited, a magazine and regional newspaper publisher, from 1997 until 2013.



In March 2020 he resigned as a non-executive director and Senior Independent Director of Temple Bar Investment Trust PLC, after 19 years on the board.

He is currently the non-executive Chairman of both Tritax Big Box REIT plc and Raven Property Group Limited, a Guernsey company listed on the London Stock Exchange which primarily invests in Russian warehouse complexes. Sir Richard was knighted in the 2019 New Year Honours list and served as Lord-Lieutenant of Norfolk for 15 years, retiring from this post in 2019.

## **The AIFM, the Investment Manager and the investment management arrangements**

### ***The AIFM and Investment Manager***

The Company has appointed Thesis Unit Trust Management Limited (the “**AIFM**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company. The AIFM and the Company have appointed BennBridge Ltd (the “**Investment Manager**”) to manage the Company’s portfolio of investments.

Tellworth Investments is the specialist equity investment business, established by Paul Marriage and John Warren in 2017, which carries out investment management and advisory services through the Investment Manager. Tellworth Investments LLP is not FCA authorised to manage investments and cannot therefore be appointed directly by the Company to manage the investments of the Company. However, Tellworth Investments LLP has assigned its members and employees to BennBridge Ltd, the Investment Manager of the Company, so that Tellworth Investments LLP’s members can manage the Company’s portfolio under BennBridge Ltd’s supervision and regulatory cover.

The Tellworth Investment Team, and in particular the Lead Portfolio Managers (being Paul Marriage, John Warren and Johnnie Smith), have significant experience in UK equities, with Paul Marriage having over 20 years’ experience in managing UK equities mandates and John Warren having over 18 years of investment experience. Paul Marriage and John Warren have particular expertise in small and mid-cap stock picking and the core of their investment strategy throughout their careers has been to invest in companies with significant UK operations and/or management, specifically choosing not to invest in overseas companies whose only connection to the UK is admission to trading on the London Stock Exchange. As at 11 September 2020, Tellworth Investments, through BennBridge, has over £690 million of assets under management in UK equity strategies.

### ***The Company’s investment management team***

The Tellworth Investment Team includes seven investment professionals. The key investment professionals responsible for management of the Company’s portfolio are as follows.

**Paul Marriage** Paul launched Tellworth Investments in October 2017. He joined Cazenove Capital in 2005 and became Head of UK Dynamic at Schrodgers in 2013 after the acquisition of Cazenove. Prior to this, Paul was Head of UK Small Cap investments at Insight Investments and an analyst at GH Asset Management. He has over 20 years of investment experience. Paul graduated from University College, Oxford University with a degree in Modern History.

**John Warren** John launched Tellworth Investments in October 2017. He joined Cazenove Capital in 2010, moving to Schrodgers in 2013 after the acquisition of Cazenove. Prior to this, John worked at UBS, Investec Bank and HSBC in UK equities and before this PriceWaterhouseCoopers. He has over 18 years of investment experience. John graduated from Loughborough University with a degree in Economics and Accountancy.

**Johnnie Smith** Johnnie joined Tellworth Investments in June 2020 as a fund manager. He joined from CZ Capital where he was previously a portfolio manager, managing UK equity long and short mandates. He was previously an analyst at the firm researching UK mid and large cap equities across multiple sectors. Prior to this, Johnnie worked at JP Morgan in equity sales as a UK specialist. He has over nine years of investment experience. Johnnie graduated from the University of Exeter with a degree in History and Politics.

### ***The investment management arrangements***

The Company has appointed Thesis Unit Trust Management Limited as its AIFM in accordance with the AIFM Directive and has entered into the Management Agreement with the AIFM and the Investment

Manager. Pursuant to the terms of the Management Agreement and for the purposes of the AIFM Directive, the AIFM will, *inter alia*, manage the investments and other assets of the Company with the sole responsibility for the portfolio management and risk management of the assets of the Company in each case in accordance with the Company's investment policy. In particular, the AIFM will implement adequate risk management systems in order to identify, measure, manage and monitor appropriately all risks relevant to the Company's investment policy. It will also undertake a valuation at least once a year of the assets within the Company's portfolio in accordance with the AIFM Directive.

Pursuant to the Management Agreement, the AIFM has delegated to the Investment Manager, the management of the Company's portfolio subject to its and the Directors' overall supervision. In accordance with the terms of the Management Agreement (and the AIFM Directive) the Investment Manager will manage the Company's portfolio and its other assets and will report on the performance of the Company's investments to the AIFM and to the Board on a monthly basis or on such other basis as they shall otherwise agree.

Under the terms of the Management Agreement, the AIFM is entitled to receive a tiered annual management fee at the rate of: (i) 0.06 per cent. per annum on such part of the Company's NAV that is less than or equal to £50 million; and (ii) 0.02 per cent. per annum on such part of the Company's NAV that is in excess of £50 million, subject to a minimum fee of £25,000 per annum calculated and payable monthly in arrears.

In addition, under the terms of the Management Agreement, the Investment Manager is entitled, with effect from Initial Admission, to receive a tiered annual management fee at the rate of (i) 0.65 per cent. per annum on such part of the market capitalisation of the Company that is less than or equal to £150 million and (ii) 0.60 per cent. per annum on such part of the market capitalisation of the Company that is in excess of £150 million. These fees will be calculated and payable monthly in arrears. The fees payable by the Company to the AIFM under the Management Agreement in respect of its appointment as the AIFM of the Company (as opposed to the provision of administration and fund accounting services) will be deducted from the amounts payable by the Company to the Investment Manager under the Management Agreement.

Under the terms of the Management Agreement, the Investment Manager may, with the prior consent of the Board, undertake stock lending in relation to assets in the Company's portfolio.

The Management Agreement is terminable by any party giving six months' written notice to the other party. In addition, the Management Agreement may be immediately terminated by any party in certain circumstances such as a material breach which is not remedied or on the insolvency of any party.

Further details of the terms of the Management Agreement are set out in paragraph 10.1 of Part 5 of this Prospectus.

## **Administration, custody and depositary arrangements**

### ***Administration arrangements***

The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company. In this role, the AIFM will provide certain administrative services to the Company which includes calculating the Net Asset Value, bookkeeping and accounts preparation. The AIFM may delegate the provision of these accounting and administration services to a delegated service provider. From Initial Admission, these services will be delegated to Northern Trust Global Services SE, UK branch.

The AIFM charges an additional fee to the Company for the provision of these services. The AIFM is also entitled to reimbursement of all out-of pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company in connection with these services.

### ***Company secretarial arrangements***

PraxisIFM Fund Services (UK) Limited has been appointed as the company secretary pursuant to the Company Secretarial Agreement. In such capacity, the Company Secretary is responsible for general secretarial functions and for assisting the Company in complying with its continuing obligations as a company listed on the premium segment of the Official List.

Under the terms of the Company Secretarial Agreement, the Company Secretary is entitled to receive a fixed annual fee, paid monthly in arrears, of £60,000.

The Company Secretarial Agreement can be terminated by the Company Secretary or the Company on three months' written notice.

All the above fees are excluding statutory and regulatory costs, disbursements and any applicable VAT which will be payable by the Company.

The Company Secretary has the benefit of an indemnity from the Company under the terms of the Company Secretarial Agreement in relation to liabilities incurred in the discharge of its duties other than those arising by reason of fraud, wilful default, negligence or breach of applicable law or the Company Secretarial Agreement on the part of the Company Secretary.

Further details of the terms of the Company Secretarial Agreement are set out in paragraph 10.4 of Part 5 of this Prospectus.

### ***Custody and depositary arrangements***

Northern Trust Global Services SE, UK branch has been appointed as the Company's depositary. The Depositary Agreement which has been entered into between the Company, the Depositary and the AIFM provides *inter alia* that the Depositary will carry out the core duties under Article 21 of the AIFM Directive which include cash management, safekeeping of assets and general oversight of the Company's portfolio. The Depositary is authorised and regulated by the FCA and is subject to limited regulation by the Prudential Regulation Authority. The Depositary is entitled to an annual fee depending on the net assets of the Company subject to a minimum fee of £7,500 (exclusive of VAT) per annum. The Depositary is also entitled to a fee per transaction undertaken on behalf of the Company. The Company can terminate the Depositary Agreement by giving six months' prior written notice to the Depositary.

The Depositary has delegated its obligations in respect of the safe keeping of the Company's investments to The Northern Trust Company (London branch).

Further details of the terms of the Depositary Agreement are set out in paragraph 10.5 of Part 5 of this Prospectus.

### **Fees and expenses**

#### ***Formation and initial expenses***

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company, Initial Admission and the Initial Issue. These expenses include fees and commissions payable under the Placing Agreement, admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Initial Admission out of the Initial Gross Proceeds.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company will not exceed an amount equal to two per cent. of the Initial Gross Proceeds. Tellworth Investments LLP has undertaken to meet any such costs which exceed an amount equal to two per cent. of the Initial Gross Proceeds. Assuming Initial Gross Proceeds of £100 million, the costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company are expected to equal approximately 1.75 per cent. of such Initial Gross Proceeds. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue.

Therefore, assuming that Initial Gross Proceeds of £100 million are raised, the Initial Net Proceeds are expected to be approximately £98.25 million. On the basis that the Minimum Gross Proceeds are raised pursuant to the Initial Issue, the Initial Net Proceeds are expected to be approximately £73.69 million.

#### ***Ongoing annual expenses***

The principal annual expenses of the Company will be the fees payable to the AIFM, the Investment Manager, the Company Secretary, the Depositary, the Directors and other service providers. The Company will also incur regulatory fees, insurance costs, professional fees, audit fees and other expenses. Such ongoing annual expenses (excluding the costs of the Issues which include the costs

associated with the publication of this Prospectus and excluding all costs associated with making and realising investments) are currently expected to amount to approximately 1.18 per cent. of Net Asset Value per annum assuming a Net Asset Value on Initial Admission of £98.25 million.

### **Accounting policies**

The financial statements of the Company will be prepared in accordance with applicable United Kingdom Accounting Standards (UK GAAP) under FRS 102, applicable laws and the Statement of Recommended Practice – ‘Financial Statements of Investment Trust Companies and Venture Capital Trusts’ (SORP) issued by the Association of Investment Companies in November 2014 and updated in October 2019.

In accordance with Section 30 of FRS 102, the Company’s functional and reporting currency will be Sterling, reflecting the primary economic environment in which the Company operates.

### **Corporate governance**

The Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. The Board has considered the principles and recommendations of the AIC Code. The AIC Code addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to listed investment companies. The Board considers that reporting against the principles and recommendations of the AIC Code, will provide better information to Shareholders. As a recently incorporated company, the Company does not yet comply with the UK Corporate Governance Code or the principles of good governance contained in the AIC Code. However, the Company intends to join the AIC as soon as practicable following Initial Admission, and arrangements have been put in place so that, with effect from Initial Admission, the Company will comply with the AIC Code.

The UK Corporate Governance Code includes provisions relating to:

- the appointment of a senior independent director;
- the role of the chief executive;
- executive directors’ remuneration; and
- the need for an internal audit function.

The Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not therefore intend to comply with them. In particular, all of the Company’s day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations.

The Board is supported by the Audit Committee, the Management Engagement Committee, the Nomination Committee and the Remuneration Committee, all of which have written terms of reference (which are reviewed at least annually) that clearly define their responsibilities and duties.

### **Independence**

The Board, of which Andrew Martin Smith is Chairman, consists solely of non-executive Directors. The Board’s policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company’s Directors, including the Chairman, has been imposed.

New Directors will receive an induction from the Investment Manager and the Company Secretary on joining the Board and all Directors receive other relevant training as necessary.

### **Appointment and re-election of Directors**

Each Director is subject to the election/re-election provisions set out in the Articles which provide that Directors shall stand for election by Shareholders at the first annual general meeting after their appointment. Thereafter the Directors are required to retire at every annual general meeting of the

Company and may, if willing to continue to act, be elected or re-elected at that meeting or may offer himself or herself for re-appointment by the members.

### ***Board and Directors' performance appraisal***

The performance of the Board committees and individual Directors will be evaluated through an annual assessment process, led by the Chairman. The performance of the Chairman will be evaluated by the other Directors.

### ***Audit Committee***

Paul Dollman is the chairman of the Audit Committee, which is comprised of the full Board. Its duties in discharging its responsibilities will include reviewing the annual and half yearly accounts, the system of internal controls and the terms of appointment and remuneration of the Auditor. It is also the forum through which the Auditor reports to the Board. The Audit Committee is expected to meet at least twice a year. The Audit Committee will review the scope and results of the audit, its cost effectiveness and the independence and objectivity of the Auditor, with particular regard to any non-audit fees. The Audit Committee will also review the terms under which the external auditor is appointed to perform non-audit services.

### ***Management Engagement Committee***

The Management Engagement Committee will meet at least once per year. It comprises each member of the Board and is chaired by Andrew Martin Smith. The Management Engagement Committee is responsible for the regular review of the terms of the Management Agreement, the Company Secretarial Agreement and other service providers' agreements and the performance of the AIFM, the Investment Manager, the Administrator, the Company Secretary and the Company's other service providers.

### ***Nomination Committee***

The Company's Nomination Committee consists of all the Directors and is chaired by Andrew Martin Smith. The Nomination Committee will meet at least once a year or more often if required. Its principal duties will be to advise the Board on succession planning bearing in mind the balance of skills, knowledge and experience existing on the Board and will make recommendations to the Board in this regard. The Nomination Committee will advise the Board on its balance of relevant skills, experience, gender, race, age and length of service of the Directors serving on the Board. All appointments to the Board will be made in a formal and transparent matter.

### ***Remuneration Committee***

The Company's Remuneration Committee consists of all the Directors and is chaired by Paul Dollman. The Remuneration Committee will meet at least once a year or more often if required. The Remuneration Committee's functions include: (i) agreeing the policy for the remuneration of the Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering ad hoc payments to the Directors in relation to duties undertaken over and above normal business; and (iii) appointing advisers to provide independent professional remuneration advice.

### ***Conflicts of interest***

The AIFM, the Investment Manager and their officers, employees and consultants may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. In particular, the Investment Manager may provide investment management services, investment advice or other services in relation to a number of funds that may have similar investment policies to that of the Company.

The AIFM and the Investment Manager will have regard to their respective obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to their respective obligations to other clients or funds, should potential conflicts of interest arise.

Both the AIFM and the Investment Manager have established internal control frameworks to provide reasonable assurances as to the effectiveness of the internal control systems operated on behalf of their

clients. The AIFM will report to the Board on a regular basis with regard to the operation of its internal controls and risk management within its operations in so far as it impacts the Company.

### **Shareholder meetings, reports and accounts of the Company**

The Company will hold an annual general meeting each year with the first annual general meeting following Initial Admission to be held in 2022.

The Company's annual report and accounts will be prepared up to 31 December each year and it is expected that copies will be sent to Shareholders before the end of the following April. Shareholders will also receive an unaudited half yearly report covering the six months to 30 June each year, which will be published before the end of the following September. The Company's first annual report and accounts will be for the period from incorporation to 31 December 2021.

### **Net asset value**

The Administrator will calculate the Net Asset Value and the Net Asset Value per Share as at the end of each Business Day and will report such calculation to the AIFM, the Investment Manager and the Company Secretary. The Company Secretary will announce the Net Asset Value to Shareholders through a Regulatory Information Service.

The Net Asset Value per Share will be calculated in Sterling on a cum income basis in accordance with UK GAAP. Quoted investments will be valued by reference to their bid prices on the relevant exchange or a lower or higher figure if, in the reasonable opinion of the Investment Manager, the underlying investment is worth less or more than the bid price. If trading in an underlying investment held by the Company is suspended, the last available bid price of that investment will be used to calculate the Net Asset Value unless the Investment Manager believes another value is a better representation of the fair value of the investment. Unlisted investments will be valued at book cost unless evidence exists to suggest fair value differs significantly from the book cost, in which case a fair value computation will be applied. Exposure to derivative instruments will be calculated under the Commitment Method, which involves converting a derivative position into the market value of an equivalent position in the underlying asset of that derivative. The calculation may take account of netting or hedging arrangements, where appropriate.

The calculation of the Net Asset Value per Share will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be announced through a Regulatory Information Service.

### **Taxation**

The Company will be applying to HMRC for approval as an investment trust. The Directors intend to conduct the affairs of the Company so as to satisfy the conditions to qualify as an investment trust under section 1158 of the Tax Act and retain investment trust status. As such, the Company will be exempt from UK taxation on capital gains in its portfolio. The Company will, however, be liable to UK corporation tax on income in the normal way, with dividend income generally being exempt from corporation tax.

A guide to the general UK taxation position as at the date of this document is set out in Part 4 of this document.

Investors should consult their tax advisers with respect to their own particular tax circumstances. This Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

### **MAR and the Disclosure Guidance and Transparency Rules**

As a company whose shares will be admitted to trading on the Main Market, the Company will comply with all of the provisions of MAR and the Disclosure Guidance and Transparency Rules which are applicable to it. The Directors have adopted a share dealing code that is compliant with the Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors and other persons discharging managerial responsibilities ("PDMRs").

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

## PART 3

### THE ISSUES

#### **Introduction**

The Company is targeting Initial Gross Proceeds of £100 million through the issue of Shares at the Initial Issue Price (being £1.00 per Share) pursuant to the Initial Placing and Initial Intermediaries Offer (together, referred to as the “**Initial Issue**”). The Company will, however, have the flexibility to raise up to £500 million under the Initial Issue. The Initial Net Proceeds are expected to be approximately £98.25 million on the assumption that gross proceeds of £100 million are raised through the Initial Issue. The Initial Issue is conditional upon, *inter alia*, Minimum Gross Proceeds of £75 million being raised under the Initial Issue.

The Company will invest the Initial Net Proceeds principally in a portfolio of UK listed companies that have a Significant Presence in the UK to achieve the Company’s objective of generating long-term total returns over a rolling five year period.

The results of the Initial Issue (including the number of Shares issued thereunder and the gross proceeds raised) will be announced by the Company through a Regulatory Information Service on 8 October 2020. The Receiving Agent will notify Intermediaries of the number of Shares in respect of which their application under the Initial Intermediaries Offer has been successful. The Placing Agent will notify Placees of the number of Shares in respect of which their application under the Initial Placing has been successful. Dealings in the Shares issued pursuant to the Initial Issue will not be permitted prior to Initial Admission.

Following the Initial Issue, the Directors may undertake Subsequent Issues pursuant to one or more Placings under the Placing Programme and/or Subsequent Intermediaries Offers. The Directors are authorised to issue up to 500 million Shares, less any Shares issued pursuant to the Initial Issue, pursuant to the Subsequent Issues. The Subsequent Issues will enable the Company to raise additional capital in the period from 14 October 2020 to 15 September 2021 if it is deemed to be in the best interests of the Company.

The Issues have not been, and will not be, underwritten and, accordingly, the maximum number of Shares available under the Issues should not be taken as an indication of the final number of Shares that will be issued pursuant to the Issues. The net proceeds of any issue of Shares pursuant to the Issues will be invested in accordance with the Company’s investment objective and policy.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document, the Company will publish a supplementary prospectus in accordance with applicable law and regulation. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s).

#### **Conditions to the Issues**

##### **Initial Issue**

The Initial Issue is conditional, *inter alia*, on:

- (i) the Minimum Gross Proceeds of £75 million (or such lesser amount as the Company, the Sponsor, the Placing Agent, the AIFM and the Investment Manager may agree) being raised pursuant to the Initial Issue;
- (ii) the Admission Condition in respect of the Initial Issue being satisfied prior to 8.00 a.m. on 13 October 2020 (or such later time and/or date, not being later than 8.00 a.m. on 30 November 2020 as the Company, the Sponsor, the Placing Agent, and the Investment Manager may agree); and
- (iii) in respect of the Initial Placing only, the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission.



If the conditions to the Initial Issue are not satisfied, the Issues will not proceed and any applications made in respect of the Issues will be rejected. In such circumstances, application monies will be returned (at the applicants' sole risk) without payment of interest, as soon as practicable thereafter.

### **Subsequent Issues**

To become effective, each Subsequent Issue will require the following events to occur:

- (i) appropriate Shareholder authority remaining in place;
- (ii) the Admission Condition being satisfied in respect of each such Subsequent Issue;
- (iii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; and
- (iv) in respect of the Placing Programme only, the Placing Agreement being wholly unconditional as regards the relevant Subsequent Placing (save as to the relevant Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

In circumstances where these conditions are not fully met, the relevant issue of Shares pursuant to a Subsequent Issue will not take place.

For the avoidance of doubt, if the Initial Issue is not successful the launch of the Company will not occur and no Subsequent Issues will take place.

### **The Initial Placing**

The total number of Shares allotted under the Initial Issue will be determined by the Company, the Sponsor, the Placing Agent and the Investment Manager after taking into account demand for the Shares and prevailing economic and market conditions.

The Company, the Directors, the Investment Manager and the Placing Agent have entered into the Placing Agreement pursuant to which the Placing Agent has agreed, subject to certain conditions, to use its reasonable endeavours to procure Placees under the Initial Placing at the Initial Issue Price in return for the payment by the Company of placing commission to the Placing Agent.

Details of the Placing Agreement are set out in paragraph 10.2 of Part 5 of this Prospectus.

The terms and conditions of application which shall apply to any subscription for Shares under the Initial Placing are set out in Part 6 ("*Terms and conditions of the Initial Placing and the Placing Programme*") of this Prospectus.

The agreement to subscribe for Shares under the Initial Placing is conditional on Initial Admission and will become an unconditional commitment on Initial Admission. The agreement to subscribe once made may not be withdrawn without the consent of the Directors.

Applications under the Initial Placing must be for a minimum subscription amount of £50,000.

The Initial Placing will remain open until 2.00 p.m. on 7 October 2020 (or such later date, not being later than 30 November 2020, as the Company, the Investment Manager and the Placing Agent may agree). If the closing date of the Initial Placing is extended, the revised timetable will be notified through an announcement through a Regulatory Information Service.

### **Subscriber warranties**

Each subscriber for Shares in the Initial Placing and each subsequent investor in the Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in Part 6 ("*Terms and conditions of the Initial Placing and the Placing Programme*") of this Prospectus.

The Company, the AIFM, the Investment Manager, the Placing Agent and the Sponsor, and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

### **Initial Placing arrangements**

The Placing Agreement contains provisions entitling the Placing Agent to terminate the Initial Placing (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Placing and these arrangements will lapse and any monies received in respect of the Initial Placing will be returned to applicants without interest.

The Placing Agreement provides for the Placing Agent to be paid a commission in respect of the Shares to be allotted pursuant to the Initial Placing. Any commissions received by the Placing Agent may be retained, and any Shares subscribed for by the Placing Agent may be retained, or dealt in, by it for its own benefit.

The Placing Agent and/or its affiliates, acting as an investor for its or their own account(s), may subscribe for or purchase Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company or other related investments in connection with the Issues or otherwise. Accordingly, references in this document to the Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, acquisition of, or subscription or dealing by, the Placing Agent and any of its affiliates acting as an investor for its or their own account(s). Neither the Placing Agent nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

### **The Placing Programme**

Shares may be issued under the Placing Programme during the period commencing at 8.00 a.m. on 14 October 2020 and ending at 5.00 p.m. on 15 September 2021 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Shares over a period of time. The issue of Shares pursuant to the Placing Programme is at the discretion of the Directors. Under the Placing Agreement, the Placing Agent has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the Shares made available in the Placing Programme.

Any issues of Shares under the Placing Programme will be notified by the Company through an announcement through a Regulatory Information Service and the Company's website prior to each Admission.

The Placing Programme Price of any Shares issued pursuant to a Subsequent Placing will be calculated by reference to the last published cum income Net Asset Value per Share together with a premium intended to at least cover the costs and expenses of the relevant Subsequent Placing (including, without limitation, any placing commissions), such costs and expenses being estimated at approximately 1.75 per cent. of the amounts raised. As such, it is not anticipated that there will be any dilution in the Net Asset Value per Share as a result of any Subsequent Placing.

Any Shares issued under the Placing Programme will rank *pari passu* with the Shares then in issue (save for any dividends or other distributions declared, made or paid on the Shares by reference to a record date prior to the issue of the relevant Shares under the Placing Programme).

Applications under the Placing Programme must be for a minimum subscription amount of £50,000.

The terms and conditions of application which shall apply to any subscription for Shares under the Placing Programme are set out in Part 6 ("*Terms and conditions of the Initial Placing and the Placing Programme*") of this Prospectus.

### **Subscriber warranties**

Each subscriber for Shares in the Placing Programme and each subsequent investor in the Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in Part 6 ("*Terms and conditions of the Initial Placing and the Placing Programme*") of this Prospectus.

The Company, the AIFM, the Investment Manager, the Placing Agent and the Sponsor, and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

### **The Intermediaries Offers**

Investors may subscribe for Shares at the Initial Issue Price pursuant to the Initial Intermediaries Offer or at the relevant Subsequent Intermediaries Offers Price under any Subsequent Intermediaries Offer. The Shares issued under the Subsequent Intermediaries Offers will be offered at a price not less than the Net Asset Value per Share as at close of business two Business Days prior to the close of the relevant Subsequent Intermediaries Offer plus a premium of 1.75 per cent. (such premium being intended to cover the costs and expenses of the relevant issue). Only the Intermediaries' retail investor clients in the United Kingdom are eligible to participate in the Intermediaries Offers. Under the Initial Intermediaries Offer, members of the general public in the United Kingdom may be eligible to apply for Shares through the Intermediaries, by following their relevant application procedures, by no later than 5.00 p.m. on 5 October 2020. The Company intends to carry out Subsequent Intermediaries Offers which will close on 11 February 2021, 15 April 2021 and 1 July 2021. The results of any Subsequent Intermediaries Offer will be announced on the Business Day following the close of the relevant Subsequent Intermediaries Offer. If the closing date of any Subsequent Intermediaries Offer is extended, the revised timetable will be notified by way of an announcement through a Regulatory Information Service.

Individuals who are aged 18 or over, companies and other bodies corporate, partnerships, trusts, associations and other unincorporated organisations are permitted to apply to subscribe for or purchase Shares under the Intermediaries Offers. Individuals aged between 16 and 18 may apply to subscribe for Shares under the Intermediaries Offers through an Intermediary only if such Shares are to be held in a Junior ISA. Only one application for Shares may be made for the benefit of any one person under each Intermediaries Offer. Underlying Applicants are responsible for ensuring that they do not make more than one application under each Intermediaries Offer (whether on their own behalf or through other means, including, but without limitation, through a trust or pension plan). Intermediaries may not make multiple applications on behalf of the same person.

There is a minimum application amount of £1,000 per retail investor under each Intermediaries Offer. There is no maximum application amount under any Intermediaries Offer. No Shares allocated under the Intermediaries Offers will be registered in the name of any person whose registered address is outside the United Kingdom, except in certain limited circumstances and with the consent of the Board, the Sponsor, the AIFM and the Investment Manager. Applications under each Intermediaries Offer must be by reference to the total monetary amount the applicant wishes to invest and not by reference to a number of Shares or the Initial Issue Price or relevant Subsequent Intermediaries Offers Price (as applicable).

An application for Shares under the Initial Intermediaries Offer means that the applicant agrees to acquire the relevant Shares at the Initial Issue Price. An application for Shares under any Subsequent Intermediaries Offer means that the applicant agrees to acquire the relevant Shares at the relevant Subsequent Intermediaries Offers Price. Each applicant must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient Shares available to satisfy an application in full, allocations of Shares may be scaled down to an aggregate value which is less than that applied for. The relevant Intermediary will be obliged to refund the applicant as required and all such refunds will be in accordance with the terms provided by the Intermediary to the applicant. Neither the Company, the Investment Manager, the AIFM, the Registrar nor the Sponsor accept any responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions (further details of which are set out in Part 7 of this document), which regulate, *inter alia*, the conduct of the Intermediaries Offers on market standard terms, and may provide for the payment of commission to any Intermediary. Under the Intermediary Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant, among other things, that it is not located in the United States and is not acting on behalf of anyone located in the United States. Under the Intermediaries Offers, the Shares will be offered outside the United States only in offshore transactions as defined in, and in reliance on, Regulation S.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the Intermediaries and will not be reviewed or approved by the Company, the AIFM, the Investment Manager or the Sponsor. Any liability relating to such documents will be for the Intermediaries only. Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent. If a retail investor asks an Intermediary for a copy of the Prospectus in printed form, that Intermediary must send (in hard copy or via an email attachment or web link) such Prospectus to that retail investor at the expense of that Intermediary.

Intermediaries are required to provide the terms and conditions of the relevant offer made by the Intermediary to any prospective investor who has expressed an interest in participating in the Intermediaries Offers. Allocations of Shares under the Intermediaries Offers will be at the absolute discretion of the Company (in consultation with the Investment Manager, the AIFM and the Sponsor). The publication of this Prospectus and any actions of the Company, the AIFM, the Investment Manager, the Sponsor, the Intermediaries or other persons in connection with the Issues should not be taken as any representation or assurance as to the basis on which the number of Shares to be offered under the Intermediaries Offers or allocations within any Intermediaries Offer will be determined and all liabilities for any such action or statement are hereby disclaimed by the Company, the AIFM, the Investment Manager and the Sponsor. The Intermediaries will be notified by the Receiving Agent as soon as reasonably practicable after allocations are decided. The relevant Intermediaries notification will be sent by email to each Intermediary separately and shall specify: (i) the aggregate number of Shares allocated to, and to be acquired by, the relevant Intermediary (on behalf of the relevant retail investors); (ii) if applicable, the basis on which the relevant Intermediary should allocate Shares to retail investors on whose behalf the Intermediary submitted applications, and (iii) the total amount payable by the Intermediary in respect of such Shares.

Pursuant to the Intermediaries Terms and Conditions, each Intermediary has undertaken to make payment on their own behalf (and not on behalf of any other person) of the consideration for the Shares allocated to it under the Initial Intermediaries Offer at the Initial Issue Price to the Receiving Agent (acting as settlement agent to the Intermediaries Offers) by means of the CREST system against delivery of the Shares on the date of Initial Admission. Pursuant to the Intermediaries Terms and Conditions, each Intermediary will undertake to make payment on their own behalf (and not on behalf of any other person) of the consideration for the Shares allocated to it under any Subsequent Intermediaries Offer at the relevant Subsequent Intermediaries Offer Price to the Receiving Agent (acting as settlement agent to the Intermediaries Offers) by means of the CREST system against delivery of the Shares on the date of the relevant Admission. Each retail investor who applies for Shares in the Intermediaries Offers through an Intermediary shall, by submitting an application to such Intermediary, be required to agree that it must not rely, and will not rely, on any information or representation other than as contained in the Prospectus or any supplement thereto published by the Company prior to the relevant Admission. Each Intermediary acknowledges that none of the Company, the Investment Manager the AIFM and the Sponsor will have any liability to the Intermediary or any retail investor for any such other information or representation not contained in this Prospectus or any such supplement thereto published by the Company prior to the relevant Admission.

## **Admission and dealings**

### ***Initial Admission***

Applications will be made to the FCA and the London Stock Exchange for the Shares to be issued under the Initial Issue to be admitted to the premium segment of the Official List and to trading on the Main Market. It is expected that Initial Admission will become effective, and dealings for normal settlement in such Shares will commence on the Main Market, at 8.00 a.m. on 13 October 2020.

Payment for the Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to Placees by the Placing Agent. Payment for the Shares, in the case of the Initial Intermediaries Offer, should be made in accordance with the Intermediaries Terms and Conditions. To the extent that any application for Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Shares will be issued under the Initial Issue in registered form and in respect of the Initial Placing, may be held either in certificated form or in uncertificated form. Shares issued under the Initial Intermediaries

Offer will be held in uncertificated form. It is expected that definitive certificates in respect of Shares issued in certificated form will be despatched by post during the week commencing 26 October 2020. Share certificates will be sent to Shareholders at their own risk. Temporary documents of title will not be issued. Pending despatch of such certificates, transfers will be certified against the register of members. It is expected that CREST stock accounts will be credited in respect of Shares issued in uncertificated form as soon as possible after 8.00 a.m. on 13 October 2020. The ISIN for the Shares is GB00BN0SM319 and the SEDOL is BN0SM31.

Dealings in the Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The Shares issued pursuant to the Initial Issues will be denominated in Sterling.

### ***Subsequent Admissions***

Applications will be made to the FCA and the London Stock Exchange for the Shares to be issued under any Subsequent Issues to be admitted to the premium listing segment of the Official List and to trading on the Main Market. It is expected that such admission and dealings in the Shares issued pursuant to the Placing Programme would commence in the period from 14 October 2020 to 15 September 2021. It is expected that such admission and dealings in the Shares issued pursuant to the Subsequent Intermediaries Offers will commence after the close of such offers on 11 February 2021, 15 April 2021 and 1 July 2021.

Payment for the Shares, in the case of any Subsequent Placing, should be made in accordance with settlement instructions to be provided to Placees by the Placing Agent. Payment for the Shares, in the case of the Subsequent Intermediaries Offers, should be made in accordance with the Intermediaries Terms and Conditions. To the extent that any application for Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the sole risk of the applicant.

The Shares issued pursuant to the Subsequent Issues will be issued in registered form and in respect of any Subsequent Placing, may be held either in certificated form or in uncertificated form. Shares issued under any Subsequent Intermediaries Offer will be held in uncertificated form. The Shares allocated will be issued through the CREST system unless otherwise stated. The Shares would be eligible for settlement through CREST with effect from Admission. The Company will arrange for CREST to be instructed to credit the appropriate CREST accounts of the applicants concerned or their nominees with their respective entitlements to the Shares. The names of applicants or their nominees that invest through their CREST accounts would be entered directly on to the share register of the Company.

Dealings in the Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

Any Shares issued will be denominated in Sterling.

### **Costs of the Issues**

There are no expenses charged to the investor by the Company. The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company will not exceed an amount equal to two per cent. of the Initial Gross Proceeds. Tellworth Investments LLP has undertaken to meet any such costs which exceed an amount equal to two per cent. of the Initial Gross Proceeds. Assuming Initial Gross Proceeds of £100 million, the costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company are expected to equal approximately 1.75 per cent. of such Initial Gross Proceeds.

Therefore, assuming Initial Gross Proceeds of £100 million, the Initial Net Proceeds are expected to be approximately £98.25 million. On the basis that the Minimum Gross Proceeds are raised pursuant to the Initial Issue, the Initial Net Proceeds are expected to be approximately £73.69 million.

Any expenses incurred by any Intermediary are for its own account. Prospective investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offers. The Intermediaries Terms and Conditions restrict the level of commission that Intermediaries are able to charge any of their respective clients acquiring Shares pursuant to the Intermediaries Offers.

## **Scaling back**

The Directors have been authorised to issue up to 500 million Shares pursuant to the Issues. In the event that the aggregate applications under the Initial Issue were to exceed 500 million Shares, the Directors reserve the right, at their sole discretion, but after consultation with the AIFM, the Investment Manager, the Placing Agent and the Sponsor, to scale back applications in such amounts as they consider appropriate. The Directors may also scale back any applications in respect of any Subsequent Issues. The Directors may also, at their sole discretion, give preference to any investor (including any Intermediary under the Intermediaries Offers) in the event applications require to be scaled back and may agree to a minimum amount of Shares being allocated to an investor. The Company reserves the right to decline in whole or in part an application for Shares pursuant to the Issues. Accordingly, applicants for Shares may, in certain circumstances, not be allotted the number of Shares for which they applied.

## **Fractions**

Fractions of Shares will not be issued under the Issues. If (other than on a scaling back) the amount of subscription monies received by the Company in relation to an application for Shares exceeds the aggregate subscription price, at the Initial Issue Price, the relevant Placing Programme Price or the relevant Subsequent Intermediaries Offers Price (as applicable), of the Shares issued pursuant to such application, such excess amount (which will never exceed the relevant issue price) will be retained for the benefit of the Company.

## **Commissions**

The Placing Agent will be entitled to a commission payable by the Company in connection with the proceeds raised under the Initial Placing. No commissions will be payable by the Company to Placees under the Initial Placing or the Placing Programme.

## **Dilution**

### ***Initial Issue***

No dilution will result from the Initial Issue. One Ordinary Share is held by John Warren, one of the Lead Portfolio Managers, for the purposes of incorporating the Company.

### ***Subsequent Issues***

Shareholders are not obliged, and, depending on the nature of the Subsequent Issue, may not receive the opportunity, to participate in any Subsequent Issues. If the Company undertakes any Subsequent Issues and a Shareholder does not acquire any of those Shares (or otherwise acquire Shares), then the Shareholder will suffer dilution to the percentage of the issued share capital of the Company that their existing holding represents, based on the number of Shares issued at the relevant time.

Assuming the Initial Issue has been subscribed as to 100 million Shares, if 400 million Shares are issued pursuant to Subsequent Issues, Shareholders who do not acquire any of those Shares (or otherwise acquire Shares) will suffer a dilution of approximately 80 per cent. to their percentage holdings in the Company immediately after Initial Admission.

The Shares issued pursuant to the Subsequent Issues will be issued at a premium to the prevailing Net Asset Value per Share which will be intended to cover the expenses of such issue of Shares under the relevant Subsequent Issue which are to be borne by the Company. As such, it is not anticipated that there will be any dilution in the Net Asset Value per Share as a result of any Subsequent Issue.

## **Typical investor**

The Directors believe that the typical investors for whom an investment in the Company is appropriate are private investors and institutional investors investing for long-term total returns over a rolling five year period and seeking exposure to a portfolio comprised principally of UK listed companies that have a Significant Presence in the UK. An investment in the Company is only suitable for persons capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment. Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

Investors are recommended to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before making an investment.

### **CREST**

CREST is a paperless settlement procedure enabling securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. The Articles permit the holding of the Shares under the CREST system and the Company has applied for the Shares to be admitted to CREST with effect from Initial Admission. Accordingly, settlement of transactions in the Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes (provided that the Shares are not in certificated form).

CREST is a voluntary system and, upon the specific request of a Shareholder, the Shares of that Shareholder which are being held under the CREST system may be exchanged, in whole or in part, for share certificates. If a Shareholder or transferee requests Shares to be issued in certificated form, a share certificate will be dispatched either to them or their nominated agent (at their own risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Shares.

### **Overseas Investors**

The distribution of this document and the offering of Shares in jurisdictions other than the United Kingdom may be restricted by law or regulation and accordingly persons into whose possession this document comes are required to inform themselves about and observe any such restrictions. No action has been taken to permit the distribution of this document and the offering of Shares in any jurisdiction outside the United Kingdom where such action is required to be taken.

Prospective investors in any territory other than the United Kingdom should refer to the section entitled "Overseas Investors" in the "Important Information" section of this document. Prospective investors who are in any doubt as to their position under their local securities laws or regulations are strongly recommended to consult their own professional advisers as soon as possible.

The Company reserves the right to treat as invalid any application or agreement to subscribe for Shares under the Issues if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities laws or regulations of any jurisdiction

In particular, investors should note that the Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any other state or other jurisdiction of the United States and the Company has not registered, and does not intend to register, as an investment company under the U.S. Investment Company Act. Accordingly, the Shares may not be offered or sold within the United States or to, or for the account or benefit of, any US Person except in a transaction meeting the requirements of an applicable exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

This document does not constitute an offer to sell or issue, or the solicitation of an offer to purchase or subscribe for, Shares in any jurisdiction in which such offer or solicitation would be unlawful.

### **Money laundering**

Pursuant to anti-money laundering laws and regulation with which the Company must comply in the UK, the Company and its agents, including the Administrator, the Registrar, the AIFM, the Investment Manager, the Company Secretary, the Sponsor and the Placing Agent may require evidence in connection with any application for Shares, including further identification of the applicant(s) before any Shares are issued.

Each of the Company and its agents, including the Administrator, the Registrar, the AIFM, the Investment Manager, the Company Secretary, the Sponsor and the Placing Agent reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's Shares. In the event of delay or failure by the Shareholder or prospective Shareholder to produce any information required for verification purposes, the Board, in consultation with any of the Company's agents, including the Administrator, the Registrar, the AIFM, the Investment Manager, the Company Secretary, the Sponsor and the Placing Agent, may refuse to accept a subscription for Shares, or may refuse the transfer of Shares held by any such Shareholder.

## PART 4

### TAXATION

#### **General**

The information below, which relates only to UK taxation, summarises the advice received by the Board and is applicable to the Company and (except insofar as express reference is made to the treatment of other persons) to persons who are resident in the UK for taxation purposes and who hold Shares as an investment. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered. The information in this Part 4 is based on current UK taxation law and published practice and is subject to any subsequent changes therein (potentially with retrospective effect).

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

#### **1. The Company**

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions for approval as an investment trust under section 1158 of the Tax Act. The Company will be applying for approval as an investment trust pursuant to the Investment Trust (Approved Company) (Tax) Regulations 2011, which came into force on 1 January 2012. The Company will therefore have investment trust status in each accounting period going forward and will be exempt from UK taxation on its capital gains, other than to the extent that the Company commits a serious breach of one of the requirements to be met by the Company while approved as an investment trust. In order to maintain its investment trust status for an accounting period, the Company must not, *inter alia*, be a close company as defined in section 439 of the Tax Act at any time in that accounting period. The Directors do not anticipate that the Company will be a close company as defined in section 439 of the Tax Act.

The Company will, however, be liable to UK corporation tax on its income profits in the normal way, with dividend income generally being exempt from UK corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, and potentially foreign taxes, at varying rates, but double taxation relief may be available. Capital gains derived by the Company may be subject to capital gains taxes in the investee jurisdictions, at varying rates, but double taxation relief may be available.

#### **2. Shareholders**

##### **2.1 Taxation of capital gains**

Individual Shareholders resident in the UK for taxation purposes may, depending upon their personal circumstances, be liable to UK capital gains tax or, in the case of corporations, UK corporation tax, on chargeable gains arising from the sale or other disposal (which includes disposal upon a winding up) of their Shares. From 6 April 2020, a disposal by an individual Shareholder, resident in the UK for taxation purposes, will be subject to capital gains tax at a rate of tax of 20 per cent. where the individual pays income tax at the higher or additional rates of tax; otherwise a capital gains tax rate of 10 per cent. applies. An individual may be able to claim certain reliefs (including the Annual Exempt Amount of £12,300 for fiscal year 2020/21) subject to their personal circumstances. Shareholders which are corporations resident in the UK will no longer benefit from an indexation allowance which, in general terms, was used to increase the tax base cost of an asset in accordance with changes in the Retail Price Index. Under measures enacted in Finance Act 2018, indexation allowance (which applied solely to corporate bodies and not individuals from 6 April 2008) was frozen as at 31 December 2017 and no longer accrues past this date. Therefore, for chargeable assets acquired after 31 December 2017, indexation allowance will no longer be available.

Shareholders who are not resident in the UK for taxation purposes will not normally be liable to capital gains tax in the UK arising from the sale or other disposal of their Shares unless (in the case of a corporate shareholder) those Shares are held through a UK branch or agency, although they may be subject to foreign taxation depending upon their personal circumstances.



## **2.2 Taxation of dividends**

Individual Shareholders resident in the UK for taxation purposes are entitled to an annual tax-free dividend allowance (£2,000 for the fiscal year 2020/21). Dividends received in excess of this allowance will be taxed, for the fiscal year 2020/21 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers). Dividends received by pension funds with tax exempt status and ISAs are not taxable.

In general, UK resident corporate Shareholders (other than dealers and certain insurance companies) are not liable to UK corporation tax in respect of dividends, except in certain circumstances.

Non-UK resident Shareholders may be subject to tax on dividend income under any law to which they are subject outside of the UK. Under current legislation, no withholding tax will be deducted from any dividends paid by the Company.

## **3. Stamp duty and stamp duty reserve tax (“SDRT”)**

In relation to UK stamp duty and SDRT:

- (i) The allocation, allotment and issue of the Shares will not give rise to a liability to stamp duty or SDRT.
- (ii) Any subsequent conveyance or transfer on sale of Shares in certificated form would ordinarily be subject to stamp duty on the instrument of transfer at a rate of 0.5 per cent. of the amount or value of the consideration (the amount payable being rounded up, if necessary, to the nearest multiple of £5). An exemption from stamp duty is available on an instrument transferring shares where the amount or value of the consideration is £1,000 or less, and it is certificated on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.
- (iii) A transfer of Shares effected on a paperless basis through CREST (where there is a change in the beneficial ownership of the shares) will generally be subject to SDRT (rather than stamp duty) at the rate of 0.5 per cent. (the amount payable being rounded up to the nearest penny) of the value of the consideration given.

Special rules apply where shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depository receipts within section 67 or section 93 of the Finance Act 1986 or a person providing a clearance service within section 70 or section 96 of the Finance Act 1986, under which SDRT or stamp duty may be charged at the higher rate of 1.5 per cent. of the value of the consideration given or, in some cases, the value of the shares. Following litigation, however, HMRC have confirmed that they will no longer seek to apply the 1.5 per cent. SDRT charge on the issue of shares into a clearance service or depository receipt arrangement on the basis that the charge is not compatible with EU law. HMRC’s view is that the 1.5 per cent. SDRT or stamp duty charge will, however, continue to apply to transfers of shares into a clearance service or depository receipt arrangement unless they are an integral part of an issue of share capital. This view is currently being challenged in further litigation.

## **4. ISAs**

Shares will qualify for the purposes of an ISA, provided that they are acquired by an ISA manager in the market or through an Intermediaries Offer. Shares subscribed for directly pursuant to a Placing will not qualify for an ISA. Direct transfers to an ISA will render Shares ineligible for ISAs.

For the 2020/21 tax year, ISAs have an overall subscription limit of £20,000, all of which can be invested in stocks and shares, for which Shares will qualify.

## **5. SIPPs and SSASs**

Shares will be permitted investments for SIPPs and SSASs.

## PART 5

### GENERAL INFORMATION

#### 1. Incorporation and general

- 1.1 The Company was incorporated with the name Tellworth British Recovery & Growth Trust plc in England and Wales on 14 August 2020 as a public company limited by shares under the Companies Act with registered number 12814859. The Company has an unlimited life and is domiciled in the UK.
- 1.2 The Company's registered office and principal place of business is Level 13 Broadgate Tower, 20 Primrose Street, London EC2A 2EW (telephone number +44 (0)20 4513 9260).
- 1.3 The principal legislation under which the Company operates is the Companies Act and regulations made thereunder. As an investment trust, the Company will not be regulated as a collective investment scheme by the FCA. However, from Initial Admission, the Company and the Shareholders will be subject to the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR and the rules of the London Stock Exchange.
- 1.4 The principal activity of the Company is to invest in securities listed on any regulated market in the UK and issued by companies with a Significant Presence in the UK.
- 1.5 Save for entry into of the material contracts summarised in paragraph 10 of this Part 5, the Company has not commenced operations since incorporation and, as at the date of this document, no financial statements have been made up and no dividends have been declared by the Company.
- 1.6 The Company's accounting period will end on 31 December of each year. The first accounting period will end on 31 December 2021. The annual report and accounts will be prepared in Sterling according to accounting standards laid out under UK GAAP.
- 1.7 The Company is in the process of appointing its statutory auditor and expects to appoint its preferred firm, Deloitte LLP, which is a member of the Institute of Chartered Accountants in England and Wales, shortly following Initial Admission.
- 1.8 The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of sections 1158 and 1159 (and regulations made thereunder) of the Tax Act and the Investment Trust (Approved Company) (Tax) Regulations 2011.
- 1.9 On 9 September 2020, the Company was granted a certificate under section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers.
- 1.10 The Company does not have any employees, does not own any premises and, as at the date of this document, has no subsidiaries.
- 1.11 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.
- 1.12 The AIFM is a private limited company incorporated in England under the Companies Act on 6 February 1998 with registered number 03508646. The AIFM's registered office is Exchange Building, Saint Johns Street, Chichester, West Sussex, PO19 1UP and its telephone number is +44 (0)12 4353 1234. The AIFM is authorised and regulated by the FCA with firm reference number 186882.
- 1.13 The Investment Manager is a private limited company incorporated in England under the Companies Act on 15 November 2016 with registered number 10480050. The Investment Manager's registered office is Windsor House 5 Station Court, Station Road, Great Shelford, Cambridge, England, CB22 5NE and its telephone number is +44 (0)20 7872 7600. The Investment Manager is authorised and regulated by the FCA with firm reference number 769109.

- 1.14 The Administrator is Northern Trust Global Services SE (UK branch), a UK branch of a European public limited liability company, registered on 1 March 2019 with registered number B232281. Northern Trust Global Services SE's registered office is 10 Rue du Château d'Eau, L-3364 Leudelange, Grand-Duché de Luxembourg. The Administrator's principal place of business is at 50 Bank Street, London E14 5NT, UK and its telephone number is +44 (0) 20 7982 2000.
- 1.15 The Company Secretary is a private limited company incorporated in England and Wales under the Companies Act on 19 November 2015 with registered number 09879916.
- 1.16 The Depositary is Northern Trust Global Services SE (UK branch), a UK branch of a European public limited liability company, registered on 1 March 2019 with registered number B232281. Northern Trust Global Services SE registered office is 10 Rue du Château d'Eau, L-3364 Leudelange, Grand-Duché de Luxembourg. The Depositary's principal place of business is at 50 Bank Street, London E14 5NT, UK and its telephone number is +44 (0) 20 7982 2000.
- 1.17 Northern Trust Global Services SE is authorised as a credit institution in Luxembourg under Chapter 1 of Part 1 of the Luxembourg law of 5 April 1993 on the financial sector. It is subject to supervision by the European Central Bank and the Luxembourg Commission de Surveillance du Secteur Financier and is regulated by the Financial Conduct Authority in the conduct of its depositary activities. The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.
- 1.18 The Depositary has delegated its obligations in respect of the safe keeping of the Company's investments to The Northern Trust Company (London branch). The Custodian is a company incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois. Its principal place of business in the UK is 50 Bank Street, Canary Wharf, London E14 5NT and its telephone number is +44 (0) 20 7982 2000.

## 2. Share capital

- 2.1 On incorporation, the issued share capital of the Company was £0.01 represented by one Ordinary Share, which was subscribed for by John Warren, one of the Lead Portfolio Managers.
- 2.2 Set out below is the issued share capital of the Company as at the date of this Prospectus.

	<i>Aggregate nominal value</i>	<i>Number of Shares</i>
Management Shares	£50,000	50,000
Ordinary Share	£0.01	1

The Ordinary Share in issue is fully paid up. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under section 761 of the Companies Act, on 27 August 2020, 50,000 redeemable preference shares of £1.00 each in the capital of the Company (the "**Management Shares**") were allotted to Tellworth Investments LLP. The Management Shares are fully paid up and will be redeemed immediately following Initial Admission.

- 2.3 The Shares to be issued pursuant to the Issues will be issued in accordance with the Articles and the Companies Act.
- 2.4 The Company holds no Shares in treasury. The Company has no authorised share capital.
- 2.5 Set out below is the issued share capital of the Company as it will be immediately following Initial Admission (assuming 100 million Shares are allotted pursuant to the Initial Issue).

	<i>Aggregate nominal value</i>	<i>Number of Shares</i>
Ordinary Shares	£1,000,000	100,000,000

- 2.6 All Ordinary Shares will be fully paid on Admission.
- 2.7 No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

- 2.8 The Company does not have in issue any securities not representing share capital. No convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.9 None of the Shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares in the same class in the Company.
- 2.10 As at the date of this document, the Company, insofar as is known to the Company, will not immediately following Initial Admission be directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.
- 2.11 The Shares to be issued under the Initial Issue are expected to be issued pursuant to a resolution of the Board on or around 7 October 2020 conditional only upon the Admission Condition being satisfied.
- 2.12 By special resolution passed on 27 August 2020, the Directors were granted authority under section 551 of the Companies Act to allot Redeemable Preference Shares for the purposes of obtaining the certificate to commence trading under section 761 of the Companies Act.
- 2.13 By ordinary and special resolutions passed on 14 September 2020:
- (i) the Directors were granted authority under section 551 of the Companies Act to allot Shares up to an aggregate nominal value of £5 million (being 500 million Shares) pursuant to the Issues, such authority expiring on 31 October 2021;
  - (ii) the Directors were also granted authority under section 570 of the Companies Act to allot Shares pursuant to the authority set out in paragraph 2.13(i) above for cash on the basis that the statutory pre-emption rights in section 561 of the 2006 Act do not apply to such allotment, such authority expiring on 31 October 2021;
  - (iii) in addition to the authority to allot Shares set out in paragraph 2.13(i) above, the Directors were granted authority under section 551 of the Companies Act to allot Shares representing up to 20 per cent. of the Shares in issue immediately following Initial Admission such authority to expire, unless previously revoked, varied or renewed by the Company at a general meeting, at the conclusion of the first annual general meeting of the Company;
  - (iv) in addition to the power referred to in paragraph 2.13(ii) above, the Directors were also empowered under section 570 of the Companies Act to allot Shares pursuant to the authority set out in paragraph 2.13(iii) above for cash on the basis that the statutory pre-emption rights in section 561 of the Companies Act do not apply to such allotment, such power to expire at the conclusion of the first annual general meeting of the Company;
  - (v) the Company was authorised to make market purchases of up to 14.99 per cent. of Shares in issue as at Initial Admission on such terms and in such manner as the Directors may from time to time determine; and
  - (vi) the Company resolved that, conditional upon Initial Admission and subject to the confirmation and approval of the High Court, the amount standing to the credit of the share premium account of the Company at the time the relevant order is issued by the High Court be cancelled, and the amount of the share premium account so cancelled be credited to a special reserve.
- 2.14 The disapplication of statutory pre-emption rights in the terms referred to at paragraphs 2.13(ii) and 2.13(iv) above gives the Company the flexibility to allot and issue a limited amount of Shares or resell Shares which it holds in treasury for cash without first being required to offer such Shares to existing Shareholders in proportion to their existing holdings.
- 2.15 The provisions of section 561 of the Companies Act, which confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities which are to be paid up in cash, apply to the unissued capital of the Company except as referred to in paragraphs 2.13(ii) and 2.13(iv) above. There are no pre-emption rights relating to the Shares in the Articles.

- 2.16 Save as provided elsewhere in this document and in the Articles, the Shares are freely transferable.
- 2.17 Save as disclosed in this document, since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital.
- 2.18 The Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Admission. In the case of Shares to be issued in uncertificated form, these will be transferred to successful applicants through CREST. Accordingly, settlement of transactions in the Shares following Admission may take place within CREST if any Shareholder so wishes.

### 3. Interests of Directors, major shareholders and related party transactions

- 3.1 As at the date of this document, there are no potential conflicts of interest between any duties owed to the Company by any of the Directors and their private interests and/or other duties.
- 3.2 Save as disclosed in this section, immediately following Initial Admission, no Director will have any interest, whether beneficial or non beneficial, in the share or loan capital of the Company.
- 3.3 The Directors intend to subscribe for Shares pursuant to the Initial Issue in the amounts set out below:\*

	<i>Number of Shares</i>	<i>% of issued share capital</i>
Andrew Martin Smith (Chairman)	70,000	0.07%
Paul Dollman (Audit Committee Chair)	50,000	0.05%
Shauna Bevan	25,000	0.025%
Sir Richard Jewson	25,000	0.025%

\* The percentages shown above are calculated on the assumption that the Initial Issue is subscribed as to 100 million Shares

- 3.4 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. Directors are required to retire and seek re-election by the Shareholders at each annual general meeting of the Company. Directors' appointments may be terminated earlier by the Company giving one month's prior written notice or by the relevant Director giving three months' prior written notice. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.
- 3.5 Pursuant to deeds of indemnity entered into between the Company and each Director, the Company has undertaken, subject to certain conditions and exclusions, to indemnify each Director against all costs, charges, fees, expenses, losses, damages, judgments, settlements, compensation, other awards, fines, penalties, taxes and any other liabilities suffered or incurred by the Director in connection with the performance of his duties as a director of the Company.
- 3.6 The aggregate remuneration and benefits in kind of the Directors in respect of any financial year will be payable out of the assets of the Company. Each of the Directors (other than the Chairman and the Audit Committee Chair) will receive an initial fee of £25,000 per year. The Chairman will receive an initial fee of £35,000 per year. The Audit Committee Chair will receive an initial fee of £30,000 per year.
- 3.7 The Company has not made any loans to the Directors which are outstanding, nor has it provided any guarantees for the benefit of any Director or the Directors collectively. No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits.
- 3.8 It is estimated that the aggregate emoluments based on the fees set out in paragraph 3.6 above, (including benefits in kind and pension contributions of which none are to be made) of the Directors

for the period ending 31 December 2021 will amount to no more than £115,000 (on an annualised basis).

3.9 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.

3.10 Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorship of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

	<i>Current Directorships/Memberships</i>	<i>Previous Directorships/Memberships</i>
Andrew Martin Smith (Chairman)	<ul style="list-style-type: none"> <li>• Church House Investments Limited</li> <li>• Guinness Asset Management Funds plc</li> <li>• Guinness Asset Management Limited</li> <li>• Guinness Capital Management Limited</li> <li>• Guinness Oil &amp; Gas Exploration Trust plc</li> <li>• Steadfaith Limited</li> <li>• The Burdett Trust for Nursing</li> <li>• The Gresham's Foundation</li> <li>• The Junius S Morgan Benevolent Fund</li> <li>• TR European Growth Trust plc</li> <li>• Tweedfine Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Asander Investment Management Limited</li> <li>• Atlantis Japan Growth Fund Limited</li> <li>• Eastwood Capital Management Limited</li> <li>• Gresham's School</li> <li>• M&amp;G High Income Investment Trust P.L.C.</li> <li>• Parmenion Capital Partners LLP</li> </ul>
Paul Dollman (Audit Committee Chair)	<ul style="list-style-type: none"> <li>• Air Partner Plc</li> <li>• Edinburgh Academy Trading Limited</li> <li>• Etihad Topco Limited</li> <li>• Scottish Amicable Life Assurance Society</li> <li>• St. Leonards School</li> <li>• Wilmington plc</li> </ul>	<ul style="list-style-type: none"> <li>• Arqiva Group Limited</li> <li>• Smart Metering Systems plc</li> </ul>
Shauna Bevan	<ul style="list-style-type: none"> <li>• Chartered Accountant Trustees' Limited</li> <li>• Cumnor House School Trust</li> <li>• Volani Limited</li> </ul>	n/a
Sir Richard Jewson	<ul style="list-style-type: none"> <li>• Nomina No 195 LLP</li> <li>• Raven Property Group Limited</li> <li>• Tritax Big Box REIT plc</li> </ul>	<ul style="list-style-type: none"> <li>• Cloudview (Holdings) Limited</li> <li>• Temple Bar Investment Trust PLC</li> </ul>

3.11 The Directors, in the five years before the date of this document:

- (i) have not had any convictions in relation to fraudulent offences;
- (ii) have not been associated with any bankruptcies, receiverships, liquidations or administration of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- (iii) have not been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

- 3.12 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.
- 3.13 Except with respect to the appointment letters and deeds of indemnity entered into between the Company and each Director and the Management Agreement entered into amongst the Company, the AIFM and the Investment Manager, the Company has not entered into any related party transaction (as defined in the standards as adopted according to the Regulation (EC) No 1606/2002) at any time during the period from incorporation to 15 September 2020 (the latest practicable date prior to the publication of this Prospectus).
- 3.14 John Warren holds all voting rights in the Company as at the date of this Prospectus. As at the date of this Prospectus and insofar as is known to the Company, no person will, immediately following Initial Admission, be directly or indirectly interested in three per cent. or more of the Company's share capital.
- 3.15 Certain of the key personnel in the Tellworth Investment Team have confirmed that they intend to subscribe for, in aggregate, 760,000 Shares under the Initial Issue.

#### **4. Significant change**

As at the date of this Prospectus, there has been no significant change in the financial position of the Company since the date of its incorporation.

#### **5. Working capital**

The Company is of the opinion, taking into account the Minimum Gross Proceeds, that the working capital available to the Company is sufficient for the Company's present requirements, that is for at least 12 months from the date of this Prospectus.

#### **6. Capitalisation and indebtedness**

As at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and the Company's issued share capital consists of one Ordinary Share and 50,000 Management Shares with no legal reserve or other reserves.

#### **7. Litigation**

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

#### **8. Articles**

The Articles were adopted on 14 September 2020 by way of a special resolution and contain provisions, *inter alia*, to the following effect.

##### **8.1 Objects**

The Company's memorandum of association and Articles do not limit the objects of the Company save that the Company will operate as a closed-ended investment company and an investment trust pursuant to section 1158 of the Corporation Tax Act 2010.

##### **8.2 Votes of members**

Subject to the rights or restrictions referred to in this paragraph 8.2 and paragraph 8.3 below, and subject to any special rights or restrictions as to voting for the time being attached to any shares, on a show of hands: (a) every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (b) every proxy appointed by a member shall have one vote save that every proxy appointed by one or more members to vote for the resolution and by one or more other members to vote against the resolution, has one vote for and one vote against.

The holders of Management Shares shall have no right to receive notice of, or vote at, any general meeting of the Company. If there is no other class of share in issue, the holders of Management Shares shall be entitled to receive notice of, and vote at, any general meeting of the Company.

### **8.3 Restrictions on voting**

Unless the Board otherwise decides, a member of the Company shall not be entitled to attend or to vote, either in person or by proxy, at any general meeting of the Company in respect of any share held by the member unless all calls and other amounts presently payable by the member in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to attend or to vote, either in person or by proxy, at any general meeting of the Company or to exercise any other rights of membership if the member, or another person appearing to be interested in the relevant shares, has failed to comply with a notice requiring disclosure of interests in shares given under Article 14 of the Articles within such reasonable time as the Directors shall determine.

### **8.4 Dividends**

The Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profit, but no dividend shall exceed the amount recommended by the Board.

The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividend or other monies payable by the Company on or in respect of any shares in the Company shall bear interest as against the Company unless otherwise provided by the rights attaching to such shares.

The Management Shares shall entitle the holders thereof to receive a fixed annual dividend equal to 0.01 per cent. on the nominal amount of each of the Management Shares, payable on demand. Such dividend will be payable in priority to the payment of a dividend to the holders of any other class of share of the Company but, for so long as there are shares of any other class in issue, the Management Shares do not confer any further right to participate in the Company's profits.

### **8.5 Return of capital**

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

The holders of the Ordinary Shares and the Management Shares shall have the following rights as to the surplus capital and assets of the Company on a winding-up or on a return of capital:

- a) firstly, if there are Management Shares in issue, there will be paid to the holders of the Management Shares in respect of each such Management Share the amount paid up or treated as paid up thereon; and
- b) secondly, the surplus shall be divided amongst the holders of the Ordinary Shares pro rata according to the nominal capital paid up on their holdings of Ordinary Shares.

### **8.6 Variation of rights**

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



## **8.7 *Transfer of Shares***

Subject to the restrictions set out in this paragraph any member may transfer all or any of his shares in the Company in any manner which is permitted by the Companies Act or in any other manner which is from time to time approved by the Board.

The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. All transfers of uncertificated shares shall be made by means of a relevant system and no provisions in the Articles that require or contemplate the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred, shall apply to uncertificated shares.

The Directors have a discretion to refuse to register any transfer of a certificated share of any class which is not fully paid. The Directors may also decline to register any transfer of shares in certificated form unless (a) the instrument of transfer, duly stamped, is deposited at the office of the Company or such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates if such a certificate has been issued, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (b) the transfer is in respect of only one class of shares and is in favour of no more than four transferees.

The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a statutory notice under the Articles and in respect of which the required information has not been received by the Company within such reasonable time as the Directors have determined.

In respect of any allotment of any share the Directors shall have the same right to decline to approve the registration of any renounee of any allottee as if the application to allot and the renunciation were a transfer of a share under the Articles.

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

## **8.8 *Alteration of capital and purchase of shares***

The Company may alter its share capital in any way that is permitted by the Companies Act.

## **8.9 *General meetings***

### *Annual General Meetings*

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

### *Convening of general meetings*

All meetings, other than annual general meetings, shall be called general meetings. The Board may convene a general meeting whenever it thinks fit. The Board shall comply with the provisions of the Companies Act regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

### *Electronic meeting*

The Board may enable persons entitled to attend a general meeting to do so by simultaneous attendance by means of an electronic platform with no persons necessarily in physical attendance together at the meeting.

### *Notice of general meetings*

A general meeting (including an annual general meeting) shall be convened by at least such minimum period of notice as is required or permitted by the Companies Acts.

Every notice shall specify: (a) the place and/or electronic platform, the day and the time of the meeting; (b) and the general nature of the business to be transacted; (c) in the case of an annual general meeting, the notice shall specify the notice as such; and (d) any procedures on attendance

and voting and an explanation of members' rights to requisition resolutions in accordance with the Companies Act.

Subject to the provisions of the Companies Act and the Articles, and to any restrictions imposed on any shares, notice of every general meeting shall be given to all members, to all persons entitled to a share, to the auditors by transmission and to every Director.

#### *Quorum*

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

A quorum of members shall consist of not less than two members present in person or by proxy (or by a duly authorised corporate representative).

If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to such other day (being not less than ten days later) and at such other time and place and/or electronic platform as may be decided by the Chair of the meeting and at such adjourned meeting one member present in person or by proxy or by a duly authorized corporate representative and entitled to vote shall be a quorum and may transact the business for which the meeting was called.

#### *Chair*

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

#### *Directors entitled to attend and speak*

A Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

#### *Adjournment*

With the consent of any meeting at which a quorum is present, the chair of the meeting may (and if so directed by the meeting shall) adjourn the meeting either indefinitely or to another time or place and/or electronic platform.

In addition, the chairman of the meeting may at any time, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or a quorum is present) either indefinitely or to another time and place and/or electronic platform if, in his opinion, it appears to him that (a) the member, proxies and corporate representatives wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; (b) the facilities or security at the place of the meeting or the electronic platform provided for the meeting have become inadequate; (c) the conduct of persons present prevents or is likely to prevent the orderly continuation of business; (d) the health, safety or well being of those entitled to attend would be put at risk by their attendance at the meeting; or (e) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

When a meeting is adjourned indefinitely the time and place and/or electronic platform for the adjourned meeting shall be fixed by the Board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.

#### *Notice of adjournment*

When a meeting is adjourned for three months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except where the Articles otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

#### *Method of voting and demand for poll*

A resolution put to the vote at an electronic meeting shall be decided on a poll. Subject to this, at a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chair of the meeting;
- (b) at least five persons present and entitled to vote on the resolution;
- (c) a member or members present in person or by proxy or represented by a duly authorised corporate representative and representing in aggregate not less than one tenth of the total voting rights of all the members having the right to attend and vote at the meeting (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (d) a member or members present in person or by proxy or represented by a duly authorised corporate representative and representing in aggregate not less than one tenth of the total sums paid up on all the shares confirming the right to attend and vote at the meeting.

#### *Taking a poll*

If a poll is demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman of the meeting shall direct. The chair may appoint scrutineers who need not be members.

#### *Proxies*

An instrument appointing a proxy must be in writing signed by the appointer or his duly authorised attorney in writing and be deposited at the registered office of the Company by the deadline (which cannot be more than forty eight (48) hours prior to the time for holding the meeting) specified for this purpose in the relevant convening notice for a general or class meeting of the Company. The appointment of a proxy does not preclude a member from attending, speaking and voting in person at the meeting or on a poll.

### **8.10 Directors**

#### *Number of directors*

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall be not less than two but not more than ten.

#### *Periodic retirement of Directors*

Each Director shall retire from office at every annual general meeting after the annual general meeting at which they were first elected.

#### *Remuneration*

The Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors. The aggregate of such fees shall not exceed £200,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine).

The Directors may be paid reasonable travelling, hotel and other expenses properly incurred in connection with the conduct of Company business and discharge of their duties as Directors including expenses incurred in travelling to and from meetings of the Board, committee meetings, general meetings and or any other meeting which as a Director he is entitled to attend.

### *Executive Directors*

The Board or any committee authorised by the Board may appoint one or more Directors to hold any employment or executive office with the Company for such period and on such terms as the Board may determine.

A Director so appointed can receive remuneration as the Board or the committee may decide either in addition to or in lieu of his remuneration as a Director.

### *Directors' interests*

The Articles contain extensive provisions dealing with Director conflicts of interest certain of which are summarised in this section. The Board may authorise any matter which would otherwise involve a Director breaching their duty under the Companies Acts to avoid conflicts of interest. Where the Board gives authority in relation to a conflict the Board may require that the relevant Director is excluded from the receipt of information, the participation in discussions and/or the making of decisions and impose such other terms for the purpose of dealing with the conflict as it may determine.

If a Director is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, the relevant Director must declare the nature and extent of that interest to the Directors in accordance with the Companies Act. Provided the Director has declared their interest a Director may:

- (a) be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest;
- (b) hold any other office or place of profit with the Company (except that of Auditors) in conjunction with their office of Director for such period and upon such terms, including as to remuneration, as the Board may decide;
- (c) act by themselves or through a firm with which they are associated in a professional capacity for the Company or any other company in which the Company may be interested (otherwise than as Auditors);
- (d) be or become a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the Company or any other company in which the Company may be interested; and
- (e) be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of their appointment as a director of that other company.

### *General powers*

Subject to the Articles and to any directions given by the Company in a general meeting by special resolution, the Directors shall manage the Company's business and can use all the Company's powers. The business of the Company shall be managed by the Board which may exercise all the powers of the Company whether relating to the management of the business of the Company or not. No special resolution or alteration of the Memorandum or of the Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or the alteration had not been made.

### *Borrowing powers*

The Board may exercise all the powers of the Company to: (a) borrow money; (b) guarantee and/or to indemnify any debt, liability or obligation of the Company or of any third party; (c) mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company; (d) issue or sell bonds, loan notes, debentures and other securities; and (e) give security, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party. The Board will limit the borrowings of the Company to ensure that, save with the previous sanction of an ordinary resolution, no money shall be borrowed if the aggregate principal amount outstanding of all borrowings by the Company and its subsidiary

undertakings (if any) (exclusive of borrowings owing by one member of the group to another member of the group) then exceeds, or would as a result of such borrowing exceed, an amount equal to two times the net assets of the Company, as shown by the then latest audited balance sheet of the Company.

#### *Board meetings*

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

#### *Quorum*

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

#### *Voting*

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

#### *Indemnity of officers*

Insofar as the Statutes allows, each current or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.

The Board may, without sanction of the Company in general meeting, authorise the purchase or maintenance by the Company for any officer or former officer of the Company of any such insurance as is permitted by the Statutes in respect of any liability which would otherwise attach to such officer or former officer.

### **8.11 Duration**

The Board shall (i) if the Net Asset Value of the Company as at 31 December 2022 is not at least £150 million, at the annual general meeting of the Company held in 2023; and (ii) at the annual general meeting of the Company held in 2026 and at every fifth annual general meeting thereafter, propose an ordinary resolution that the Company continues its business as a closed-ended investment trust (each a "Continuation Resolution").

If a Continuation Resolution is not passed at any general meeting at which it is proposed, then the Board shall, within six months of such Continuation Resolution not being passed, convene a general meeting to consider a special resolution to approve the reconstruction, reorganisation or winding up of the Company which, if passed, will provide Shareholders with an option to elect to realise their investment in the Company in full at close to the Net Asset Value per Share.

### **8.12 Changes to the Articles**

In accordance with the Companies Act, the Articles can be amended by means of a special resolution of Shareholders which requires 75 per cent. of the votes cast at a general meeting to be in favour, provided that in relation to any amendment which would affect class rights, the appropriate class has approved the amendment in accordance with the Articles.

## **9. City Code on Takeovers and Mergers**

### **9.1 Mandatory bid**

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

- any person acquires, whether by a series of transactions over a period of time or otherwise, an interest in Shares which, when taken together with Shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or

- any person who, together with persons acting in concert with him, is interested in Shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but does not hold Shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other Shares which increases the percentage of Shares carrying voting rights in which he is interested, such person and, depending on the circumstances, their concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer or cash alternative offer for the outstanding Shares at a price not less than the highest price paid for any interests in the shares by the person or their concert parties during the previous 12 months. Such an offer must only be conditional on:
  - (i) the person having received acceptances in respect of Shares which (together with Shares already acquired or agreed to be acquired) will result in the person and any person acting in concert with him holding Shares carrying more than 50 per cent. of the voting rights; and
  - (ii) no reference having been made in respect of the offer to the Competition and Markets Authority by either the first closing date, or the date when the offer becomes or is declared unconditional as to acceptances, whichever is the later.

## **9.2 Compulsory Acquisition**

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the Shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding Shares not assented to the offer. It would do so by sending a notice to the other holders of Shares telling them that it will compulsorily acquire their Shares and then, six weeks later, it would execute a transfer of the outstanding Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the holders of those Shares subject to the transfer. The consideration offered to the holders whose Shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

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

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

## **10. Material Contracts**

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation or which are expected to be entered into prior to Initial Admission and which are, or may be, material to the Company or that contain any provision under which the Company has any obligation or entitlement which is or may be material to the Company as at the date of this Prospectus.

### **10.1 Management Agreement**

The AIFM, the Investment Manager and the Company have entered into the Management Agreement. Pursuant to the terms of the Management Agreement, the AIFM has agreed, subject to the overall policy and supervision of the Directors and such directions as the Directors may give from time to time, to manage the investments and other assets of the Company with the sole responsibility for the portfolio management and risk management of the assets of the Company in each case in accordance with the Company's investment policy. Pursuant to the Management

Agreement, the AIFM has delegated to the Investment Manager the management of the Company's portfolio subject to its and the Directors' overall supervision. In accordance with the terms of the Management Agreement (and the AIFM Directive) the Investment Manager will manage the Company's portfolio and its other assets and will report on the performance of the Company's investments to the AIFM and to the Board on a monthly basis or on such other basis as they shall otherwise agree.

Under the terms of the Management Agreement, the AIFM is entitled to receive a tiered annual management fee at the rate of: (i) 0.06 per cent. per annum on such part of the Company's NAV that is less than or equal to £50 million; and (ii) 0.02 per cent. per annum on such part of the Company's NAV that is in excess of £50 million, subject to a minimum fee of £25,000 per annum calculated and payable monthly in arrears.

In addition, under the terms of the Management Agreement the Investment Manager is entitled, with effect from Initial Admission, to receive a tiered annual management fee at the rate of (i) 0.65 per cent. per annum on such part of the market capitalisation of the Company that is less than or equal to £150 million and (ii) 0.60 per cent. per annum on such part of the market capitalisation of the Company that is in excess of £150 million. These fees are payable monthly in arrears. The fees payable by the Company to the AIFM under the Management Agreement in respect of its appointment as the AIFM of the Company (as opposed to the provision of administration and fund accounting services) will be deducted from the amounts payable by the Company to the Investment Manager under the Management Agreement.

Under the terms of the Management Agreement, the Investment Manager may, with the prior consent of the Board, undertake stock lending in relation to assets in the Company's portfolio.

The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company. In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. The AIFM may delegate the provision of these accounting and administration services to a delegated service provider, currently Northern Trust Global Services SE. The AIFM charges an additional fee to the Company to the provision of these services.

The Investment Manager and the AIFM shall also be entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred respectively on behalf of the Company.

The Company has agreed to indemnify the Investment Manager and the AIFM (and their respective officers, directors and employees) against all liabilities, obligations, losses, damages, suits and expenses incurred by or asserted against the Investment Manager or the AIFM respectively in the performance of their respective duties pursuant to the Management Agreement or otherwise in connection with the Company's activities other than those resulting from the negligence, wilful default, fraud or bad faith on the part of the Investment Manager or the AIFM (or their respective officers, directors and employees) or from a breach of the Management Agreement or any applicable laws by the Investment Manager or the AIFM (or their respective officers, directors and employees).

The Management Agreement may be terminated by any party on six months' notice. In addition, the Management Agreement may be immediately terminated by any party in certain circumstances such as a material breach which is not remedied. The departure of any one of the Lead Portfolio Managers would also give rise to the right for the Company to summarily terminate the Management Agreement if, without the prior consent of the Company, any one of the Lead Portfolio Managers ceases to be employed by or provide services to the Investment Manager, or ceases to be actively involved in respect of the Investment Manager's obligations under the Management Agreement save that the Investment Manager shall have the opportunity (to be exercised within two months of such event) to make proposals for the purposes of remedying the situation which the Company may accept or decline in its absolute discretion at any time within two months of receipt of any remedying proposals.

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

## **10.2 *Placing Agreement***

The Placing Agreement dated 16 September 2020 entered into by the Company, each of the Directors, the Investment Manager and Numis pursuant to which, subject to certain conditions, Numis has agreed to use its reasonable endeavours to procure purchasers for: (i) the Shares to be issued pursuant to the Initial Placing at the Initial Issue Price; and (ii) Shares to be issued pursuant to any Subsequent Placings under the Placing Programme.

The Placing Agreement is conditional on, among other things, Initial Admission occurring by 8.00 a.m. on 13 October 2020 (or such later date, not being later than 30 November 2020 as the Company and Numis may agree) in respect of the Initial Placing.

In respect of the Initial Placing, the Placing Agreement is further conditional upon the Initial Gross Proceeds totalling not less than £75 million. In the event that any of the conditions in the Placing Agreement are not met in respect of the Initial Placing or any Subsequent Placing, Numis shall, amongst other things, not be under any obligation to complete the Initial Placing or any Subsequent Placing, the Company shall withdraw its application for Initial Admission or the relevant Subsequent Admission (as applicable) (making such announcement as reasonably required by Numis) and appropriate arrangements for the return of monies received shall be made.

In consideration for their services under the Placing Agreement, Numis will receive from the Company: (i) placing commission (such commission calculated by reference to the number of Shares acquired by Placees procured by Numis) together with reimbursement for all out-of-pocket expenses incurred by it in connection with the Initial Issue; and (ii) a commission in respect of any Shares issued pursuant to any Subsequent Placing under the Placing Programme.

The Company, the Investment Manager and the Directors have in the Placing Agreement given certain customary warranties (subject, in the case of the Directors, to certain agreed caps), and the Company and the Investment Manager have agreed to provide customary indemnities to Numis.

Under the Placing Agreement, Numis is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees.

The Placing Agreement may be terminated by Numis in certain customary circumstances.

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

## **10.3 *Intermediaries Booklet***

The Intermediaries Booklet dated 2 September 2020 setting out the terms on which the Intermediaries have agreed, or will agree, in connection with the Initial Intermediaries Offer, to act as agent for their Underlying Applicants.

None of the Company, the Sponsor or Numis, or any of their respective representatives will have any liability to the Intermediaries for liabilities, costs or expenses incurred by the Intermediaries in connection with the Initial Intermediaries Offer.

As set out in the Intermediaries Booklet, the Sponsor has agreed to coordinate applications from the Intermediaries under the Initial Intermediaries Offer. Determination of the number of Shares offered will be determined solely by the Company (following consultation with the Sponsor, Numis and the Investment Manager). Allocations to Intermediaries will be determined solely by the Company (following consultation with the Sponsor, Numis and the Investment Manager).

The Intermediaries agree to procure the investment of the maximum number of Shares which can be acquired at the Initial Issue Price for the sum applied for by such Intermediaries on behalf of their respective Underlying Applicants. A minimum application of £1,000 per Underlying Applicant will apply. Intermediaries agree to take reasonable steps to ensure that they will not make more than one application per Underlying Applicant.

The Intermediaries give certain undertakings regarding their use of information in connection with the Intermediaries Offers. The Intermediaries also give undertakings regarding the form and content of written and oral communications with clients and other third parties and the Intermediaries also give representations and warranties which are relevant for the Intermediaries



Offers, and indemnify the Company, the Sponsor, the Receiving Agent and their respective representatives against any loss or claim arising out of any breach or alleged breach by them of the agreement or of any duties or obligations under the FSMA or under any rules of the FCA or any applicable laws or as a result of any other act or omission by the Intermediary in connection with the subscription for and/or resale of Shares by the Intermediaries or any Underlying Applicant.

#### **10.4 Company Secretarial Agreement**

The Company Secretarial Agreement dated 16 September 2020 between the Company and the Company Secretary whereby the Company Secretary is appointed to act as company secretary of the Company.

The Company Secretary is entitled to receive an annual fee of £60,000 (exclusive of VAT). The Company Secretary is also entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company.

The Company Secretarial Agreement may be terminated by either party on three months' notice and may be immediately terminated by the Company in certain circumstances such as a persistent or material breach which is not remedied. The Company Secretarial Agreement contains customary indemnities given by the Company in favour of the Company Secretary.

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

#### **10.5 Depositary Agreement**

The Depositary Agreement dated 16 September 2020 between the Company, the AIFM and the Depositary whereby the Depositary is appointed to act as custodian and depositary of the Company. The Depositary will perform the customary services of a depositary in accordance with the AIFM Directive. It is permitted to delegate the performance of its obligations, including the safe keeping of assets, subject to certain conditions being satisfied.

The Depositary is entitled to a fee depending on the net assets of the Company subject to a minimum fee of £7,500 (exclusive of VAT) per annum. The Depositary is also entitled to a fee per transaction undertaken on behalf of the Company and will also be entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company.

The Depositary Agreement may be terminated by either party on six months' prior written notice. The Depositary Agreement may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The Depositary Agreement contains customary indemnities given by the Company in favour of the Depositary.

The Depositary has delegated its obligations in respect of the safe keeping of the Company's investments to The Northern Trust Company (London branch).

The Depositary has not contractually discharged any of its liabilities under the Depositary Agreement in respect of the delegated services.

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

#### **10.6 Registrar Agreement**

The Registrar Agreement dated 16 September 2020 between the Company and the Registrar whereby the Registrar is appointed to act as registrar of the Company. The Registrar is entitled to receive an annual registration fee from the Company of £5,000 (exclusive of VAT). The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company.

The Registrar Agreement may be terminated by either party on six months' notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The Registrar Agreement contains customary indemnities from the Company in favour of the Registrar.

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

## **10.7 Costs Contribution Agreement**

The Company is also a party to the costs contribution agreement dated 16 September 2020 pursuant to which Tellworth Investments LLP has undertaken to meet the launch costs and initial expenses of the Company (including the costs and expenses associated with the publication of this Prospectus) that exceed two per cent. of the Initial Gross Proceeds.

## **11. Investment restrictions**

11.1 In accordance with the requirements of the FCA, the Company:

11.1.1 will not invest more than ten per cent. in aggregate of the value of the total assets of the Company in other investment companies or investment trusts which are listed on the premium segment of the Official List (except to the extent that those investment companies or investment trusts have published investment policies to invest no more than 15 per cent. of their gross assets in other investment companies or investment trusts which are listed on the Official List);

11.1.2 will not conduct any trading activity which is significant in the context of the Company as a whole;

11.1.3 will, at all times, invest and manage its assets:

(a) in a way which is consistent with its objective of spreading investment risk; and

(b) in accordance with its published investment policy.

11.2 As an investment trust, the Company aims to comply with section 1158 of the Tax Act, which imposes on the Company an obligation to spread investment risk.

11.3 In accordance with the requirements of the FCA, the Company will not make any material change to its published investment policy without the approval of its Shareholders by ordinary resolution. Such an alteration would be announced by the Company through a Regulatory Information Service.

11.4 In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company by an announcement issued through a Regulatory Information Service.

## **12. General**

12.1 Where third party information has been referenced in this document, the source of that third party information has been disclosed. Where information contained in this document has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

12.2 No application is being made for the Shares to be dealt with in or on any stock exchange or investment exchange other than the London Stock Exchange's Main Market.

12.3 The AIFM and the Investment Manager have given and not withdrawn their written consent to the inclusion in this Prospectus of references to their names in the form and context in which they appear. The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of the information and opinions contained in Part 1 (Tellworth British Recovery & Growth Trust plc) and Part 2 (The AIFM, the Investment Manager and the investment management arrangements) of this Prospectus. To the best of the knowledge of the Investment Manager, the information contained in the parts of the Prospectus for which it is responsible is in accordance with the facts and those parts make no omission likely to affect their import.

12.4 Dickson Minto W.S. has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.

### **13. Documents available for inspection**

13.1 Copies of the following documents are available for inspection at any time on the Company's website at [www.tbgt.co.uk](http://www.tbgt.co.uk) or in person during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the Company's registered office from the date of this Prospectus until close of business on 15 September 2021.

13.1.1 the memorandum of association of the Company and the Articles;

13.1.2 the letters of appointment referred to in paragraph 3.4 of this Part 5;

13.1.3 the written consents referred to in paragraphs 12.3 and 12.4 of this Part 5; and

13.1.4 this Prospectus.

### **14. Availability of this document**

This document is available for inspection at [www.tbgt.co.uk](http://www.tbgt.co.uk) and <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and, until 15 September 2021, copies of this document will also be available for collection, free of charge, from the registered office of the Company.

**16 September 2020**

## PART 6

### TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME

#### 1. Introduction

Each investor which confirms its agreement to subscribe for Shares under the Initial Placing and/or any Subsequent Placing under the Placing Programme to the Company or Numis will be bound by these terms and conditions and will be deemed to have accepted them.

Each of the Company and/or Numis, as applicable, may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (for the purposes of this Part, a **"Placing Letter"**). The terms of this Part 6 will, where applicable, be deemed to be incorporated into that Placing Letter.

#### 2. Agreement to subscribe for Ordinary Shares

Conditional on, amongst other things:

- (a) in relation to any Subsequent Placing under the Placing Programme, the Placing Programme Price and the number of Shares to be issued being agreed between the Company and Numis;
- (b) in the case of the Initial Placing, Initial Admission occurring and becoming effective by 8.00 a.m. (London time) on or prior to 30 November 2020; or, in respect of any Subsequent Placing, Admission occurring and becoming effective by 8.00 a.m. on the date agreed by the Company and Numis;
- (c) the Minimum Gross Proceeds of £75 million (or such lesser amount as the Company, Dickson Minto W.S and Numis may agree) being raised pursuant to the Initial Issue;
- (d) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated in accordance with its terms on or before 8.00 a.m. (London time) on the date of the relevant Admission (save as regards the Initial Placing, for any condition relating only to a Subsequent Placing thereunder); and
- (e) Numis confirming to the Placees their allocation of Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Shares allocated to it by Numis at the Initial Issue Price or the relevant Placing Programme Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

Applications under the Initial Placing or any Subsequent Placing must be for a minimum subscription amount of £50,000.

Any commitment to acquire Shares under the Initial Placing and/or any Subsequent Placing agreed orally with Numis, as agent for the Company, will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and/or Numis, to subscribe for the number of Shares allocated to it on the terms and subject to the conditions set out in this Part 6 and the contract note or oral or email placing confirmation as applicable (for the purpose of this Part 6, the **"Electronic Contract Note"** or the **"Electronic Placing Confirmation"**) and in accordance with the Articles. Except with the consent of Numis, such oral commitment will not be capable of variation or revocation after the time at which it is made.

Each Placee's allocation of Shares under the Initial Placing and/or any Subsequent Placing will be evidenced by an Electronic Contract Note confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Numis, as agent for the Company. The provisions as set out in this Part 6 will be deemed to be incorporated into that Electronic Contract Note.

If the Minimum Gross Proceeds (or such lesser amount as the Company, Dickson Minto W.S and Numis may agree) are not raised, the Initial Placing will lapse and all proceeds will be returned to Placees without interest and at the Placee's risk.

Multiple applications or suspected multiple applications on behalf of a single investor are liable to be rejected.

Fractions of Shares will not be issued.

### **3. Termination rights under the Placing Agreement**

Numis may, following consultation with the Company, terminate the Placing Agreement in accordance with its terms prior to Initial Admission, in respect of the Initial Placing, and prior to any Admission, in respect of any Subsequent Placing.

By participating in the Placing, each Placee agrees with Numis that the exercise by Numis of any right of termination or other discretion under the Placing Agreement shall be within its absolute discretion and that Numis need not make any reference to the Placee in this regard and that to the fullest extent permitted by law Numis shall not have any liability whatsoever to the Placee in connection with any such exercise.

### **4. Payment for Shares**

Each Placee undertakes to pay in full the Initial Issue Price or the relevant Placing Programme Price for the Shares issued to such Placee in the manner and by the time directed by Numis. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Shares shall either be accepted or rejected and the relevant Placee shall be deemed hereby to have appointed Numis, or any nominee of Numis as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Shares allocated to the Placee in respect of which payment shall not have been made as directed, and to indemnify Numis and its affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

No commission will be paid to any such Placees in respect of any Shares.

Settlement of transactions in the Shares following the relevant Issue will take place in CREST but the Company reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Electronic Contract Note or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

### **5. Representations, Warranties and Undertakings**

By agreeing to subscribe for Shares under the Initial Placing and/or the any Subsequent Placing, each Placee which enters into a commitment to subscribe for Shares (for the purposes of this Part, a "**Placing Commitment**") will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, Dickson Minto W.S., Numis, the AIFM, the Investment Manager and the Registrar that:

- (a) in agreeing to subscribe for Shares under the Initial Placing and/or any Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company and any subsequent Company announcement via an RIS and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Shares, the Initial Placing, the Placing Programme or any Subsequent Placing including without limitation, the Key Information Document. It agrees that none of the Company, Dickson Minto W.S., Numis, the AIFM, the Investment Manager or the Registrar, nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have against any such persons in respect of any other information or representation;
- (b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under the Initial Placing and/or any Subsequent Placing, it warrants that

it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which might reasonably be expected to result in the Company, Dickson Minto W.S., Numis, the AIFM, the Investment Manager or the Registrar, or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or any Subsequent Placing;

- (c) it has carefully read and understands this Prospectus and any supplementary prospectus issued by the Company in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 6 and in the Electronic Contract Note or Electronic Placing Confirmation, as applicable, referred to in paragraph 2 of this Part 6 (for the purposes of this Part, the “**Electronic Contract Note**” or the (“**Electronic Placing Confirmation**”)) and the Placing Letter (if any) and the Articles (as amended from time to time);
- (d) it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for Shares;
- (e) it has not relied on Dickson Minto W.S., Numis, or any person affiliated with Dickson Minto W.S. or Numis in connection with any investigation of the accuracy of any information contained in this Prospectus or any supplementary prospectus;
- (f) the content of this Prospectus and any supplementary prospectus issued by the Company is exclusively the responsibility of the Company and its Directors and neither Dickson Minto W.S., Numis or the Registrar nor any person acting on their behalf nor any of their affiliates are responsible for or shall have any liability for this Prospectus, any information, representation or statement contained in this Prospectus (and any such supplementary prospectus issued by the Company) or any information previously published by or on behalf of the Company or any other statement made or purported to be made by it or on its or their behalf in connection with the Company, the Shares, the Initial Placing, the Placing Programme or any Subsequent Placing and will not be liable for any decision by a Placee to participate in the Initial Placing or any Subsequent Placing based on any information, representation or statement contained in this Prospectus or otherwise;
- (g) no person is authorised in connection with the Initial Placing or the Placing Programme to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company and, if given or made, any information or representation must not be relied upon as having been authorised by Dickson Minto W.S., Numis, the Company, the AIFM or the Investment Manager;
- (h) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- (i) the price per Share is fixed at the Initial Issue Price or the Placing Programme Price (as applicable) and is payable to Numis on behalf of the Company in accordance with the terms of this Part 6 and, as applicable, in the Electronic Contract Note or the Electronic Placing Confirmation and the Placing Letter (if any);
- (j) it has the funds available to pay in full for the Shares for which it has agreed to subscribe pursuant to its Placing Commitment and that it will pay the total subscription in accordance with the terms set out in this Part 6 and, as applicable, as set out in the Electronic Contract Note or the Electronic Placing Confirmation and the Placing Letter (if any) on the due time and date;
- (k) its commitment to acquire Shares under the Initial Placing or any Subsequent Placing will be agreed orally with Numis as agent for the Company and that an Electronic Contract Note or the Electronic Placing Confirmation will be issued by Numis as soon as possible thereafter. That oral agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Numis to subscribe for the number

of Shares allocated to it and comprising its Placing Commitment at the Initial Issue Price or the Placing Programme Price (as applicable) on the terms and conditions set out in this Part 6 and, as applicable, in the Electronic Contract Note or the Electronic Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of Admission. Except with the consent of Numis, such oral commitment will not be capable of variation or revocation after the time at which it is made;

- (l) its allocation of Shares under the Placing will be evidenced by an Electronic Contract Note or the Electronic Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Numis as agent for the Company. The terms of this Part 6 will be deemed to be incorporated into that Electronic Contract Note or the Electronic Placing Confirmation;
- (m) settlement of transactions in the Shares following Admission, will take place in CREST but the Company reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Electronic Contract Note or the Electronic Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- (n) to the extent any Shares offered and sold are issued in certificated form, such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

“The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any other applicable securities law. By its acceptance of these securities, the purchaser represents that it is not, and is not acting for the account or benefit of, a “**U.S. person**” as defined in Regulation S under the U.S. Securities Act and that any resale of such Shares will be made only in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act.”
- (o) none of the Shares have been or will be registered under the laws of any EEA State (other than the United Kingdom), the United States, Canada, Japan, Australia, the Republic of South Africa or any other Restricted Jurisdiction. Accordingly, none of the Shares may be offered, sold, issued or delivered, directly or indirectly, within any of the following: any EEA State (other than the United Kingdom), the United States, Canada, Japan, Australia, the Republic of South Africa or any other Restricted Jurisdiction, or to or for the benefit of any person resident in the United States, Canada, Japan, Australia, the Republic of South Africa or any other Restricted Jurisdiction (unless an exemption from any registration requirement is available);
- (p) it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- (q) if it is within the United Kingdom, it is (a) a person who falls within: (i) Articles 19(1) or 19(5) (Investment Professionals); or (ii) Articles 49(2)(A) to (D) (high net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the Shares may otherwise lawfully be offered whether under such Order or otherwise, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Shares may be lawfully offered under that other jurisdiction's laws and regulations and (b) a qualified investor (as such term is defined in Article 2(e) of the Prospectus Regulation);
- (r) if it is a resident in the UK or the EEA, it is (a) a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation and (b) otherwise permitted to be marketed to in accordance with the provisions of the AIFM Directive or under the applicable implementing legislation (if any) of the UK or the relevant EEA State in which it is located;

- (s) in the case of any Shares acquired by an investor as a financial intermediary as that term is used in Article 5(2) of the Prospectus Regulation, (i) the Shares acquired by it in the Initial Placing or any Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of Numis has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Regulation as having been made to such persons;
- (t) if it is outside the United Kingdom, neither this Prospectus (nor any supplementary prospectus issued by the Company) nor any other offering, marketing or other material in connection with the Initial Placing or the Placing Programme or the Shares (for the purposes of this Part 6, each a “**Placing Document**”) constitutes an invitation, offer or promotion to, or arrangement with, it or any person for whom it is procuring to subscribe for Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation, promotion or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- (u) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under the Initial Placing or any Subsequent Placing, that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, Dickson Minto W.S., Numis, the AIFM, the Investment Manager or the Registrar, or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing or any Subsequent Placing;
- (v) the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or transferred, directly or indirectly, in, into or within the United States or to or for the account or benefit of a U.S. Person;
- (w) it is located outside the United States and is subscribing for the Shares only in “offshore transactions” as defined in and pursuant to Regulation S;
- (x) it is not subscribing for Shares as a result of any “directed selling efforts” as defined in Regulation S;
- (y) the Company has not registered, and does not intend to register, as an investment company under the U.S. Investment Company Act and the Shares may only be transferred under circumstances which will not result in the Company being required to register under the U.S. Investment Company Act; and that, in each case, it agrees to sell, transfer, assign, pledge or otherwise dispose of the Shares in offshore transactions in compliance with Regulation S (which includes, for the avoidance of doubt, any *bona fide* sale on the London Stock Exchange’s Main Market);
- (z) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an employee benefit plan (within the meaning of Section 3(3) of ERISA) that is subject to Part 4 of Title 1 of ERISA; (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state, local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its investment manager (or other persons responsible for the investment and operation of the Company’s assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of



the US Internal Revenue Code; or (iii) an entity whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement;

- (aa) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (and any supplementary prospectus issued by the Company) or any other Placing Document to any persons within the United States or any other Restricted Jurisdiction, nor will it do any of the foregoing;
- (bb) it does not have a registered address in, and is not a citizen, resident or national of the United States, Canada, Japan, Australia, the Republic of South Africa or any other Restricted Jurisdiction and it is not acting on a non-discretionary basis for any such person;
- (cc) if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee’s agreement to subscribe for Shares under the Initial Placing or any Subsequent Placing and will not be any such person on the date that such subscription is accepted;
- (dd) it is a person of a kind described in paragraph 5 of Article 19 or paragraph 2 of Article 49 of the Financial Services and Markets Act (Financial Promotion) Order 2005;
- (ee) (i) it has communicated or caused to be communicated and will communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Shares only in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person; and (ii) that no Placing Document is being issued by Numis or Dickson Minto W.S. in their respective capacities as authorised persons under section 21 of the FSMA and the Placing Documents may not therefore be subject to the controls which would apply if the Placing Documents were made or approved as a financial promotion by an authorised person;
- (ff) it is aware of and acknowledges that it is required to comply with all applicable provisions of the FSMA with respect to anything done by it in, from or otherwise involving, the United Kingdom;
- (gg) it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, section 118 of FSMA, the Proceeds of Crime Act 2002 and the Market Abuse Regulation and confirms that it has and will continue to comply with those obligations;
- (hh) no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- (ii) neither Numis nor Dickson Minto W.S., nor any of their respective affiliates nor any person acting on their respective behalves is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing or the Placing Programme or providing any advice in relation to the Initial Placing or the Placing Programme and participation in the Initial Placing and/or the Placing Programme is on the basis that it is not and will not be a client of either Numis or Dickson Minto W.S. and that neither Numis nor Dickson Minto W.S. has any duties or responsibilities to it for providing the protections afforded to their respective clients or for providing advice in relation to the Initial Placing or the Placing Programme nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained in any Placing Letter, Electronic Contract Note or Electronic Placing Confirmation;
- (jj) that, save in the event of fraud on the part of Dickson Minto W.S., neither Dickson Minto W.S. nor any of its respective directors, members, partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of Dickson Minto W.S.’ role as sponsor or otherwise in connection with the Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;
- (kk) that, save in the event of fraud, none of Numis, its ultimate holding companies, any direct or indirect subsidiary undertakings of such holding company nor any of its respective directors, members,

partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of Numis' role as placing agent or otherwise in connection with the Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately and irrevocably waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

- (ll) that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Shares for each such account; (ii) to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus (and any supplementary prospectus issued by the Company); and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing or any Subsequent Placing in the form provided by the Company and Numis. It agrees that the provision of this paragraph shall survive any resale of the Shares by or on behalf of any such account;
- (mm) it irrevocably appoints any Director and any director or duly authorised employee or agent of Numis to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares comprising its Placing Commitment in the event of its own failure to do so;
- (nn) if the Initial Placing and/or the Placing Programme does not proceed or the relevant conditions under the Placing Agreement are not satisfied or the Shares for which valid applications are received and accepted are not admitted to listing and trading on the Official List and the Main Market (respectively) for any reason whatsoever then none of Numis, Dickson Minto W.S., the Company, the AIFM or the Investment Manager, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- (oo) in connection with its participation in the Initial Placing or any Subsequent Placing it is aware of and has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations (for the purposes of this Part 6, together the "**Money Laundering Legislation**") and that its application for Shares under the Initial Placing or any Subsequent Placing is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied for Shares. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations; or (ii) subject to the Money Laundering Directive; or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Legislation;
- (pp) if it is acting as a "distributor" (for the purposes of MiFID II Product Governance Requirements):
- it acknowledges that the Target Market Assessment undertaken by the Investment Manager and Numis does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares and each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels;
  - notwithstanding any Target Market Assessment undertaken by the Investment Manager and Numis, it confirms that, other than where it is providing an execution-only service to investors, it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market; and
  - it acknowledges that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and

an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom;

- (qq) due to anti-money laundering requirements, Numis, the Administrator, the Registrar and/or the Company may require proof of identity and verification of the source of the payment before the application for Shares under the Initial Placing or any Subsequent Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Numis and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will hold harmless and indemnify Numis and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;
- (rr) each of Dickson Minto W.S., Numis and the Company is entitled to exercise any of their rights under the Placing Agreement (including, without limitation, rights of termination) or any other right in their absolute discretion without any liability whatsoever to it;
- (ss) the representations, undertakings and warranties contained in this Part 6 and, as applicable, in the Electronic Contract Note or the Electronic Placing Confirmation and the Placing Letter (if any), are irrevocable. It acknowledges that Numis and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and undertakings and it agrees that if any of the representations or warranties or undertakings made or deemed to have been made by its subscription of the Shares under the Initial Placing and/or any Subsequent Placing are no longer accurate, it shall promptly notify Numis and the Company;
- (tt) where it or any person acting on behalf of it is dealing with Numis, any money held in an account with Numis on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Numis to segregate such money, as that money will be held by Numis under a banking relationship and not as trustee;
- (uu) any of its clients, whether or not identified to Numis, will remain its sole responsibility and will not become clients of Numis for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- (vv) the allocation of Shares in respect of the Initial Placing and any Subsequent Placing shall be determined by the Company in consultation with Dickson Minto W.S., Numis, the AIFM and the Investment Manager, and the Company may scale back any Placing Commitment on such basis as they may determine (which may not be the same for each Placee);
- (ww) time shall be of the essence as regards the Placee's obligations to settle payment for the Shares subscribed for under the Initial Placing or any Subsequent Placing and to comply with its other obligations in connection with the Initial Placing or relevant Subsequent Placing;
- (xx) it authorises Numis to deduct from the total amount subscribed under the Initial Placing or any Subsequent Placing, the aggregate commission (if any) (calculated at the rate agreed with the Placee) payable on the number of Shares allocated under the Initial Placing or relevant Subsequent Placing;
- (yy) in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23(2) of the Prospectus Regulation, such Placee will immediately re-subscribe for the Shares previously comprising its Placing Commitment;
- (zz) the Placing will not proceed if the Minimum Gross Proceeds are not raised;
- (aaa) the commitment to subscribe for Shares on the terms set out in this Part 6 and, as applicable, in the Electronic Contract Note or the Electronic Placing Confirmation and the Placing Letter (if any) will continue notwithstanding any amendment that may in the future be made to the terms of the

Initial Placing or the Placing Programme and it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the Initial Placing or any Subsequent Placing;

- (bbb) it is capable of being categorised as a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook;
- (ccc) the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under the U.S. federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the U.S. securities laws to transfer such Shares or interests in accordance with the Articles (as amended from time to time); and
- (ddd) the Company, Dickson Minto W.S., Numis, the AIFM, and the Investment Manager will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements. The Placee agrees to indemnify and hold each of the Company, Dickson Minto W.S., Numis the AIFM, the Investment Manager and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part 6.

## **6. Supply and Disclosure of Information**

If Dickson Minto W.S., Numis, the Registrar, the Company, the AIFM or the Investment Manager, or any of their respective agents request any information about a Placee's agreement to subscribe for Shares under the Initial Placing and/or any Subsequent Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

## **7. Data Protection**

Each Placee acknowledges that it has been informed that, pursuant to the General Data Protection Regulation 2016/679 (the "**GDPR**") the Company and/or the Registrar will following Admission, hold personal data (as defined in the GDPR) relating to past and present Shareholders. Personal data will be retained on record for a period exceeding seven years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with GDPR and shall only process for the purposes set out in the Company's privacy notice (for the purposes of this Part 6 the "**Purposes**") which is available for consultation on the Company's website at [www.tbrgt.co.uk](http://www.tbrgt.co.uk) (the "**Privacy Notice**") which include to:

- (a) process the personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with the Placee's holding of Shares, including processing personal data in connection with credit and anti-money laundering checks on the Placee;
- (b) communicate with the Placee as necessary in connection with its affairs and generally in connection with its holding of Shares;
- (c) comply with the legal and regulatory obligations of the Company and/or the Registrar; and
- (d) process the personal data for the Registrar's internal administration.

Where necessary to fulfil the Purposes, the Company and the Registrar will disclose personal data to:

- (a) third parties located either within, or outside of, the EEA, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Shares; or
- (b) their affiliates, the Company (in the case of the Registrar), the AIFM or the Investment Manager and their respective associates, some of which may be located outside the EEA.

Any sharing of personal data between parties will be carried out in compliance with the GDPR and as set out in the Company's Privacy Notice.

By becoming registered as a holder of Shares, a person becomes a data subject (as defined under the GDPR). In providing the Registrar with information, the Placee hereby represents and warrants to the Company, the Registrar and the Administrator that: (i) it complies in all material aspects with its data controller obligations under the GDPR, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under the GDPR, the Placee has obtained the consent of any data subject to the Company and Registrar, and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person he or she has read and understood the terms of the Company's Privacy Notice.

Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants that:

- (a) it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company as a result of the Placee agreeing to subscribe for Shares; and
- (b) the Placee has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.

Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data he/she/it processes in relation to or arising in relation to the Initial Placing and/or any Subsequent Placing:

- (a) comply with all applicable data protection legislation;
- (b) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;
- (c) if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
- (d) it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

## **8. Miscellaneous**

The rights and remedies of the Company, Dickson Minto W.S., Numis, the Registrar, the AIFM and the Investment Manager under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally his nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing and/or any Subsequent Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to Numis.

Each Placee agrees to be bound by the Articles (as amended from time to time) once the Shares which the Placee has agreed to subscribe for pursuant to the Initial Placing or any Subsequent Placing have been acquired by the Placee. The contract to subscribe for Shares under the Initial Placing or any Subsequent Placing and the appointments and authorities mentioned in this Prospectus (or any supplementary prospectus issued by the Company) will be governed by, and construed in accordance

with, the laws of England and Wales. For the exclusive benefit of Dickson Minto W.S., Numis, the Company, the AIFM, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for Shares under the Initial Placing or any Subsequent Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

The Company, Dickson Minto W.S., Numis, the AIFM and the Investment Manager expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Initial Placing and any Subsequent Placing are subject to the satisfaction of the relevant conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 10.2 of Part 5 of this Prospectus.

Monies received from applicants pursuant to any Subsequent Placing will be held in accordance with the terms and conditions of any announcement issued by the Company in relation to that Subsequent Placing until such time as the Placing Agreement becomes unconditional in all respects in relation to that Subsequent Placing. If the Placing Agreement does not become unconditional in all respects in relation to that Subsequent Placing by the time specified in such announcement, application monies will be returned without interest at the risk of the applicant.

## PART 7

### TERMS AND CONDITIONS OF THE INTERMEDIARIES OFFERS

The Intermediaries Terms and Conditions regulate the relationship between the Company and each of the Intermediaries that is accepted by the Company to act as an Intermediary after making an application for appointment in accordance with the Intermediaries Terms and Conditions.

#### **Capacity and liability**

The Intermediaries have agreed that, in connection with the Intermediaries Offers, they will be acting as agent for retail investors in the United Kingdom who wish to acquire Shares under the Intermediaries Offers, and not as representative or agent of the Company, the AIFM or the Investment Manager, none of whom will have any responsibility for any liability, costs or expenses incurred by any Intermediary, regardless of the process or outcome of the Intermediaries Offers.

#### **Eligibility to be appointed as an Intermediary**

In order to be eligible to be considered by the Company for appointment as an Intermediary, each Intermediary must be authorised by the FCA or the Prudential Regulatory Authority in the United Kingdom or authorised by a competent authority in another EEA jurisdiction with the appropriate authorisations to carry on the relevant activities in the United Kingdom, and in each case have appropriate permissions, licences, consents and approvals to act as an Intermediary in the United Kingdom. Each Intermediary must also be a member of CREST or have arrangements with a clearing firm that is a member of CREST. Each Intermediary must also have (and is solely responsible for ensuring that it has) all licences, consents and approvals necessary to enable it to act as an Intermediary in the United Kingdom and must be, and at all times remain, of good repute and in compliance with all laws, rules and regulations applicable to it (determined by the Company in its sole and absolute reasonable discretion).

#### **Application for Shares**

A minimum application amount of £1,000 per Underlying Applicant will apply. There is no maximum limit on the monetary amount that Underlying Applicants may apply to invest. The Intermediaries have agreed not to make more than one application per Underlying Applicant. Any application made by investors through any Intermediary is subject to the terms and conditions agreed with each Intermediary.

Individuals who are aged 18 or over, companies and other bodies corporate, partnerships, trusts, associations and other unincorporated organisations are permitted to apply to subscribe for or purchase Shares in the Intermediaries Offers. Individuals aged between 16 and 18 may apply to subscribe for Shares in the Intermediaries Offers through an Intermediary only if such Shares are to be held in a Junior ISA. Only one application for Shares may be made for the benefit of any one person in the Intermediaries Offers. Underlying Applicants are responsible for ensuring that they do not make more than one application under the Intermediaries Offers (whether on their own behalf or through other means, including, but without limitation, through a trust or pension plan). Intermediaries may not make multiple applications on behalf of the same person.

By applying for Shares in the Intermediaries Offers, the applicant agrees to acquire the relevant Shares at the Initial Issue Price or the relevant Subsequent Intermediaries Offer Price (as applicable to that issue). Each applicant must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient Shares available to satisfy an application in full, allocations of Shares may be scaled down to an aggregate value which is less than that applied for. The relevant Intermediary will be obliged to refund the applicant as required and all such refunds will be in accordance with the terms provided by the Intermediary to the applicant. The Company accepts no responsibility with respect to the obligations of the Intermediaries to refund monies in such circumstances.

Under the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant, among other things, that it is not located in the United States and is not acting on behalf of anyone located in the United States. Under the Intermediaries Offers, the Shares will be offered outside the United States only in offshore transactions to non non-US Persons as defined in, and in reliance on, Regulation S.

Allocations of Shares under the Intermediaries Offers will be at the absolute discretion of the Company, after consultation with the AIFM, the Investment Manager and the Sponsor. If there is excess demand for Shares in the Intermediaries Offers, allocations of Shares may be scaled down to an aggregate value which is less than that applied for. Each Intermediary will be required by the Company to apply the basis of allocation determined by the Company to all allocations to Underlying Applicants who have applied through such Intermediary.

The Intermediaries will be notified by the Receiving Agent as soon as reasonably practicable after allocations under the Intermediaries Offers are decided. The relevant Intermediaries notification(s) will be sent by email to each Intermediary separately and shall specify: (i) the aggregate number of Shares allocated to, and to be acquired by, the relevant Intermediary (on behalf of the relevant retail investors); (ii) if applicable, the basis on which the relevant Intermediary should allocate Shares to retail investors on whose behalf the Intermediary submitted applications per application band; and (iii) the total amount payable by the Intermediary in respect of such Shares. Each Intermediary will also be sent confirmation by the Receiving Agent (acting as settlement agent to the Intermediaries Offers) of the number of Shares it has been allocated in the Intermediaries Offers.

Each retail investor who applies for Shares in the Intermediaries Offers through an Intermediary shall, by submitting an application to such Intermediary, be required to agree that it must not rely, and will not rely, on any information or representation other than as contained in this document or any supplement thereto published by the Company prior to Admission. Each Intermediary acknowledges that none of the Company, the AIFM, the Investment Manager, the Sponsor or the Placing Agent will have any liability to the Intermediary or any retail investor for any such other information or representation not contained in this document or any such supplement thereto published by the Company prior to Admission.

#### **Effect of Intermediaries Offers Application Form**

By completing and returning an Intermediaries Offers Application Form, an Intermediary will be deemed to have irrevocably agreed to invest or procure the investment in Shares of the aggregate amount stated on the Intermediaries Offers Application Form or such lesser amounts in respect of which such application may be accepted. The Company, the AIFM and the Investment Manager reserve the right to reject, in whole or in part, or to scale down, any application for Shares in the Intermediaries Offers.

#### **Commission and Fees**

The Intermediaries Terms and Conditions provide that an Intermediary may choose whether or not to be paid a fee by the Company in connection with the Intermediaries Offers, subject to the rules of the FCA or any other applicable body. Intermediaries must not pay to any Underlying Applicant any of the fees received from the Company. However, Intermediaries are permitted to offset any fee received from the Company against any amounts of fees which would be otherwise payable by an Underlying Applicant to that Intermediary.

#### **Information and communications**

The Intermediaries have agreed to give certain undertakings regarding the use of information provided to them in connection with the Intermediaries Offers. The Intermediaries have given certain undertakings regarding their role and responsibilities in the Intermediaries Offers and are subject to certain restrictions on their conduct in connection with the Intermediaries Offers, including in relation to their responsibility for information, communications, websites, advertisements and their communications with clients and the press.

#### **Representations and warranties**

The Intermediaries have given representations and warranties that are relevant for the Intermediaries Offers, and have agreed to indemnify the Company, the Sponsor and the Receiving Agent against any loss or claim arising out of any breach by them of the Intermediaries Terms and Conditions or as a result of a breach of any duties or obligations under FSMA or under any rules of the FCA or any applicable laws or as a result of any breach by the Intermediary of any of its representations, warranties, undertakings or obligations contained in the Intermediaries Terms and Conditions.



**Governing law**

The Intermediaries Terms and Conditions are governed by English law.

**The Intermediaries**

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offers are:

- (i) AJ Bell Youinvest;
- (ii) EQi;
- (iii) Hargreaves Lansdown;
- (iv) Interactive Investor;
- (v) Jarvis Investment Management;
- (vi) PrimaryBid; and
- (vii) Shareview Dealing.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus, including in respect of any Intermediary that is appointed by the Company in connection with the Intermediaries Offers after the date of this Prospectus following its agreement to adhere to and be bound by the terms of the Intermediaries Terms and Conditions and any Intermediary that ceases to participate in the Intermediaries Offers, will be made available (subject to certain restrictions) at the Company's website [www.tbrgt.co.uk](http://www.tbrgt.co.uk).

## PART 8

### AIFMD ARTICLE 23 DISCLOSURES

This Part 8 sets out important information about the AIFM Directive and its application to the AIFM, the Investment Manager and the Company. The AIFM Directive is a European Directive which regulates the management and marketing of an alternative investment fund by an Alternative Investment Fund Manager within the EEA.

For the purposes of the AIFM Directive, the AIFM is an EEA AIFM of the Company, which is an EU AIF. This Part 8 seeks to provide information in respect of the Company. Under the AIFM Directive, for each AIF marketed in the EU, the AIFM must make available to prospective investors in the AIF certain prescribed information before the investors invest in the AIF, as well as any material changes thereto. These are the disclosure requirements set out in Article 23 of the AIFM Directive.

This Part 8 must be read together with the other parts of this Prospectus and has been included in this document to comply with the Article 23 disclosure requirements in respect of the Company.

This part cross-refers to, and must at all times be read in conjunction with, the other parts of this Prospectus.

<b>Disclosure Requirement</b>	<b>Disclosure or Location of Relevant Disclosure</b>
<b>1. Description of the Company</b>	
(a) Investment strategy and objectives of the Company	Information on the investment strategy and objectives of the Company is outlined in Part 1 of this document under the headings "Investment objective and policy" and "Investment strategy".
(b) and (c) Information on whether the Company is a feeder or a fund of funds	Not applicable: the Company is not a feeder fund nor a fund of funds.
(d) Types of assets in which the Company may invest	The types of assets in which the Company may invest are outlined in Part 1 under the heading "Investment policy".
(e) The investment techniques that the Company, or the AIFM on behalf of the Company, may employ and all associated risks	The investment techniques to be used by the Company are described in Part 1 of this document. The section entitled "Risk Factors" (pages 12 to 18 inclusive) of this document provides an overview of the risks involved in investing in the Company.
(f) Investment Restrictions	The investment restrictions applicable to the Company are set out in Part 1 of this document under the heading "Investment policy" and paragraph 11 of Part 5 of this document under the heading "Investment restrictions".
(g) to (j) Use of leverage	The circumstances in which the Company may use leverage and the restrictions on the use of leverage are described in Part 1 of this document under the heading "Borrowings and gearing". The types and sources of leverage permitted are described in Part 1 of this document under the headings "Investment policy" and "Borrowings and gearing". Gearing will not exceed 25 per cent. of Net Asset Value at the time of drawdown of the relevant

borrowings or entering into the relevant transaction, as appropriate.

Certain risks associated with the Company's use of leverage are described in the "Risk Factors" section of this document under the headings "Gearing" and "Derivative Instruments".

The AIFM Directive prescribes two methods of measuring and expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to be gearing.

Without prejudice to the foregoing, the Company has set a maximum leverage limit of 200 per cent. on a "commitment basis" and 200 per cent. on a "gross" basis.

**2. *Changes to Investment Objective and Approach***

No material change will be made to the investment policy and investment restrictions without the approval of Shareholders by ordinary resolution and the approval of the FCA. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.

**3. *Main legal implications of investment in the Company***

Investors will acquire shares in the Company, which is a closed ended investment company limited by shares and established in England and Wales.

While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them.

Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Act. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.

### ***Jurisdiction and applicable law***

As noted above, Shareholders' rights are governed principally by the Articles and the Companies Act. By subscribing for Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of England and Wales.

### ***Recognition and enforcement of foreign judgments***

Regulation (EC) 593/2008 ("**Rome I**") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.

Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Administration of Justice Act 1920 and the Foreign Judgment (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.

## **4. Service Providers**

### **(a) The AIFM's duties**

Pursuant to the Management Agreement, the Company has appointed Thesis Unit Trust Management Limited to act as the Company's AIFM for the purposes of the AIFM Directive. The AIFM will maintain responsibility for implementing appropriate portfolio and risk management

standards and procedures for the Company and will also carry out the on going oversight functions and ensure compliance with the applicable requirements of the AIFM Rules.

Further details of the Management Agreement are set out in paragraph 10.1 of Part 5 of this document.

(b) The Investment Manager's duties Pursuant to the Management Agreement, BennBridge Ltd has been appointed to provide discretionary portfolio management services to the Company.

(c) Depositary duties The Depositary, Northern Trust Global Services SE, has been appointed as depositary to provide depositary services to the Company, which will include safekeeping of the assets of the Company. The Depositary is permitted to delegate (and authorise its delegates to sub-delegate) the safekeeping of the assets of the Company. The Depositary has delegated its obligations in respect of the safe keeping of the Company's investments to the Custodian, The Northern Trust Company (London branch) which in turn may appoint sub-custodians in jurisdictions where the Company may make investments.

(d) Auditors and other service providers' duties *Administrator*  
The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company.

In this role, the AIFM provides certain administrative services to the Company which include calculating the Net Asset Value, bookkeeping and accounts preparation. The AIFM has currently delegated the provision of these accounting and administration services to Northern Trust Global Services SE.

#### *Company Secretary*

The Company Secretary, PraxisIFM Fund Services (UK) Limited, has been appointed as the company secretary of the Company to provide the company secretarial functions required by the Companies Act.

#### *Auditor*

The Auditor, Deloitte LLP, provides audit services to the Company. The auditor's principal responsibilities are to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The annual report and accounts will be prepared according to accounting standards laid out under UK GAAP.

### *Registrar*

The Registrar, Equiniti Limited, has been appointed as registrar in relation to the transfer and settlement of Shares.

(e) Investors' rights

The Company is reliant on the performance of third party service providers, including the AIFM, the Investment Manager, the Administrator, the Company Secretary, the Depositary, the Auditors and the Registrar.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

In the event that a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints to the Financial Ombudsman Service ("FOS") (further details of which are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at [www.fscs.org.uk](http://www.fscs.org.uk). To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.

5. ***Professional liability risks***

The AIFM has effective internal operational risk management policies and procedures in order to appropriately identify, measure, manage and monitor operational risks, including professional

liability risks, to which it is or could reasonably be exposed. These policies and procedures are subject to regular review and the operational risk management activities are performed independently as part of the risk management policy.

The management of operational risk, through the risk and control self-assessment process, is aimed at identifying risks in existing processes and improving existing controls to reduce their likelihood of failure and the impact of losses. All risks and events are facilitated via the internal risk management system, which provides a platform to facilitate the convergence of governance, risk and compliance.

The AIFM is required to cover professional liability risks, such as the risk of loss of documents evidencing title of assets to the Company, and complies with such requirement by maintaining an amount of its own funds in accordance with the AIFM Directive.

## **6. *Delegated Management Functions***

Pursuant to the terms of the Management Agreement, the AIFM has delegated to BennBridge Ltd the management of the Company's portfolio subject to its and the Directors' overall supervision.

The Administrator and the Company Secretary have been appointed to perform certain administrative functions covering accounting, administration and company secretarial services respectively.

The Depositary has delegated safekeeping duties as set out in the AIFM Directive and the FCA Handbook to The Northern Trust Company (London branch), with its principal place of business in the UK being 50 Bank Street, Canary Wharf, London E14 5NT.

The AIFM and the Investment Manager may, in their absolute discretion, effect transactions in which they or any of their affiliated companies has, directly or indirectly, a material interest, or a relationship of any description with another party which may involve a potential conflict with the duty to the Company. The AIFM and the Investment Manager will ensure that such transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed.

The AIFM, the Investment Manager and their affiliates are involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager manage funds other than the Company and may provide investment management, investment advisory or other services in relation to those funds or future funds which may have similar investment policies to that of the Company.

The AIFM, the Investment Manager and their affiliates may carry on investment activities for other accounts in which the Company has no interest. The AIFM, the Investment Manager and their affiliates may also provide management services to other clients, including other collective investment vehicles. The AIFM, the Investment Manager and their affiliates may give advice and recommend securities to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar.

**7. Valuation Procedure**

A description of the Company's valuation procedures is outlined in Part 2 of this document under the heading "Net Asset Value".

**8. Liquidity Risk Management**

The Company is a closed-ended listed investment company and, as such, Shareholders in the Company have no right to redeem their Shares.

Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due.

In managing the Company's assets therefore the AIFM and Investment Manager seek to ensure that the Company holds at all times sufficient assets to enable it to discharge its payment obligations.

**9. Charges and Expenses**

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue which are to be met by the Company will not exceed an amount equal to two per cent. of the Initial Gross Proceeds. Tellworth Investments LLP has undertaken to meet any such costs which exceed an amount equal to two per cent. of the Initial Gross Proceeds.

All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offers.

The Placing Programme Price of any Shares issued pursuant to a Subsequent Placing will be calculated by reference to the last published cum income Net Asset Value of each existing Share together with a premium intended to at least cover the costs and expenses of such Subsequent Placing (including, without limitation, any placing commissions), such costs and expenses being estimated at approximately 1.75 per cent. of the amounts raised. The Shares issued under the Subsequent Intermediaries Offers will be offered at a price not less than the Net Asset Value per Share as at close of business two Business Days prior to the close of the relevant Subsequent



Intermediaries Offer plus a premium of 1.75 per cent. (such premium being intended to cover the costs and expenses of the relevant issue).

The fees and expenses payable to the AIFM and the Investment Manager are described in paragraph 10.1 of Part 5 of this document.

Ongoing fees, charges and expenses following Initial Admission are outlined in Part 2 of this document under the heading "Ongoing annual expenses".

**10. Fair Treatment**

The Directors of the Company have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its Shareholders as a whole. As a company listed on the FCA's Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally.

The AIFM and Investment Manager each maintain a conflicts of interest policy to avoid and manage any conflicts of interest that may arise between the AIFM or the Investment Manager (or affiliates of either the AIFM or the Investment Manager) and the Company.

The Ordinary Shares will rank *pari passu* with each other.

**11. Preferential Rights**

No investor has a right to obtain preferential treatment in relation to their investment in the Company.

**12. Issue and Sale of Shares**

The terms and conditions under which investors can subscribe for Ordinary Shares under the Initial Placing and/or the Placing Programme are set out in Part 6 of this document.

Intermediaries are required to provide the terms and conditions of the Intermediaries Offers to any prospective investor who has expressed an interest in participating in the Intermediaries Offers to such Intermediary.

**13. Latest Net Asset Value of the Company or the latest market price of the shares of the Company, in accordance with Article 19 of the AIFM Directive**

The Company has not yet published a Net Asset Value in accordance with Article 19 of the AIFM Directive.

When published, Net Asset Value announcements can be found on both the Company's website ([www.tbrgt.co.uk](http://www.tbrgt.co.uk)) and the London Stock Exchange's website ([www.londonstockexchange.com](http://www.londonstockexchange.com)).

**14. Latest annual report, in line with Article 22 of the AIFM Directive**

The Company has not yet published an annual report in line with Article 22 of the AIFM Directive.

When published, annual reports can be found on the Company's website ([www.tbrgt.co.uk](http://www.tbrgt.co.uk)).

15. ***Where available, the historical performance of the Company*** The Company has not yet published any annual or interim financial statements. When published, annual and interim financial statements can be found on the Company's website ([www.tbrgt.co.uk](http://www.tbrgt.co.uk)).
16. ***Prime Brokerage*** The Company does not intend to use prime brokers.
17. ***A description of how and when the information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive will be disclosed*** In order to meet the requirements of paragraphs 4 and 5 of Article 23 of the AIFM Directive, the Company intends to disclose annually in the Company's annual report (or in such manner as the AIFM and the Board consider appropriate):
- (1) the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature if applicable;
  - (2) any new arrangements for managing the liquidity of the Company; and
  - (3) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks.
- Information will also be provided to investors regarding any changes to:
- (1) the maximum level of leverage that may be employed on behalf of the Company;
  - (2) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and
  - (3) the total amount of leverage employed by the Company.