

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Shares, please send this document (but not the accompanying personalised Tender Form) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any jurisdiction outside the United Kingdom and the United States where to do so may violate any legal or regulatory requirement. If you are an existing holder of Shares and you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

J.P. Morgan Securities plc (which conducts its UK investment banking business activities as J.P. Morgan Cazenove) ("**J.P. Morgan Cazenove**"), which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the FCA, is acting exclusively for the Company and is not advising any other person or treating any other person as its client in relation to the proposals or the matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of J.P. Morgan Cazenove nor for providing advice in relation to the Tender Offer or the matters referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which J.P. Morgan Cazenove may have under the FSMA or the regulatory regime established thereunder.

Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove by the FSMA or the regulatory regime established thereunder, J.P. Morgan Cazenove accepts no responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the Tender Offer. J.P. Morgan Cazenove accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. J.P. Morgan Cazenove has given and not withdrawn its written consent to the inclusion of its letter in Part 2 hereof and to the references to its name in the form and context in which it is included in this document.

MONTANARO EUROPEAN SMALLER COMPANIES TRUST PLC

*(Incorporated and registered in Scotland with registered number SC074677.
An investment company within the meaning of Section 833 of the Companies Act 2006)*

TENDER OFFER TO PURCHASE UP TO 5% OF THE ISSUED SHARE CAPITAL OF THE COMPANY

The Tender Offer will close at 13:00 hours on 18 November 2026. Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in certificated form should complete the enclosed Tender Form in accordance with the instructions set out thereon and return the completed Tender Form together with their valid share certificate(s) or other document(s) of title, to Equiniti Limited, Highdown House, Yeoman Way, Worthing, West Sussex BN99 6DA to arrive as soon as possible and, in any event, by no later than 13:00 hours on 18 November 2026.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in uncertificated form (i.e. in CREST) should tender electronically through CREST so that the TTE Instruction settles by no later than 13:00 hours on 18 November 2026, as further described in paragraph 3 of Part 4 of this document.

IF ELIGIBLE SHAREHOLDERS DO NOT WISH TO TENDER THEIR SHARES IN THE COMPANY, NO ACTION IS REQUIRED AND SUCH ELIGIBLE SHAREHOLDERS SHOULD NOT COMPLETE OR RETURN A TENDER FORM OR SUBMIT A TTE INSTRUCTION IN CREST.

All references to times in this document are to London time (GMT) unless stated otherwise.

CONTENTS

	Page
NOTICE FOR US SHAREHOLDERS	3
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	4
PART 1 LETTER FROM THE CHAIRMAN	5
PART 2 LETTER FROM J.P. MORGAN CAZENOVE	10
PART 3 FURTHER INFORMATION ON THE TENDER OFFER.....	13
PART 4 TERMS AND CONDITIONS OF THE TENDER OFFER	14
PART 5 RISK FACTORS.....	27
PART 6 UK TAXATION IN RELATION TO THE TENDER OFFER.....	29
PART 7 ADDITIONAL INFORMATION	30
PART 8 DEFINITIONS	31

NOTICE FOR US SHAREHOLDERS

The Tender Offer relates to securities in a non-US company registered in Scotland with a listing on the London Stock Exchange and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of Scotland, the UK Listing Rules and the rules of the London Stock Exchange. US Shareholders should read this entire document. Any financial information relating to the Company has been prepared in accordance with UK-adopted international accounting standards and has not been prepared in accordance with generally accepted accounting principles in the United States; thus it may not be comparable to financial information relating to US companies. The Tender Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), subject to the exemptions provided by Rule 14d-1 thereunder and otherwise in accordance with the requirements of the UK Listing Rules. Accordingly, the Tender Offer will be subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures. The Company is not listed on a US securities exchange, subject to the periodic reporting requirements of the Exchange Act or required to, and does not, file any reports with the SEC thereunder.

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

To the extent permitted by applicable law and in accordance with normal UK practice, the Company, J.P. Morgan Cazenove, or any of their affiliates may make certain purchases of, or arrangements to purchase, Shares outside the United States during the period in which the Tender Offer remains open for acceptance, including sales and purchases of Shares effected by J.P. Morgan Cazenove acting as market maker in the Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the Exchange Act, by virtue of relief granted by the SEC Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable Scottish and English law and regulation, including the UK Listing Rules, and the relevant provision of the Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom and the United States and, if required, will be reported via the Regulatory Information Service of the London Stock Exchange and available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of cash pursuant to the Tender Offer may be a taxable transaction for US federal income tax purposes. Each US Shareholder should consult and seek individual tax advice from an appropriate professional adviser.

Neither the Securities and Exchange Commission nor any US state securities commission has approved or disapproved of this transaction or passed upon the merits or fairness of such transaction or passed upon the adequacy of the information contained in this document. Any representation to the contrary is a criminal offence.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Tender Offer opens: announcement of the Tender Offer and publication of this document	19 October 2026
Tender Closing Date: last time and date for receipt of Tender Forms and share certificates for certificated Shares and TTE Instruction(s) in CREST for uncertificated Shares	13:00 hours on 18 November 2026
Tender Record Date	18:00 hours on 18 November 2026
Announcement of number of Shares validly tendered	20 November 2026
CREST accounts credited with unsuccessfully tendered uncertificated Shares	not later than 23 November 2026
Calculation Date	27 November 2026
Announcement of the Tender Price	30 November 2026
Despatch of share certificates to be returned in respect of unsuccessfully tendered certificated Shares	by 7 December 2026
Purchase of Shares under the Tender Offer	9 December 2026
January Dividend ex- date	10 December 2026
CREST accounts credited in respect of Tender Offer proceeds for uncertificated Shares	by 11 December 2026
January Dividend record date	11 December 2026
Cheques despatched in respect of Tender Offer proceeds for certificated Shares	by 18 December 2026
Despatch of balancing share certificates for revised, certificated holdings in the case of partially successful tenders	by 18 December 2026
January Dividend payment date	4 January 2027

The times and dates set out in the expected timetable and mentioned throughout this document may, in certain circumstances, be adjusted by the Board (in consultation with J.P. Morgan Cazenove), in which event, details of the new times and dates will be notified, as required, to the London Stock Exchange and, where appropriate, to Shareholders and an announcement will be made through a Regulatory Information Service.

All references to times in this document are to London time (GMT) unless otherwise stated.

PART 1

LETTER FROM THE CHAIRMAN

MONTANARO EUROPEAN SMALLER COMPANIES TRUST PLC

*(Incorporated and registered in Scotland with registered number SC074677.
An investment company within the meaning of Section 833 of the Companies Act 2006)*

Directors:

Gordon Neilly (*Chairman*)
Caroline Roxburgh
Hillary Williams

Registered Office:

28 Walker Street
Edinburgh
EH3 7HR

19 October 2026

Dear Shareholder

Tender Offer to purchase up to 5% of the issued share capital of the Company

1 INTRODUCTION

- 1.1 As originally announced by the Company on 27 March 2025, the Board offers Shareholders the opportunity to tender their Shares to the Company twice a year around the time of the interim and final results publication (the “**Biannual Tender Offer Facility**”).
- 1.2 The first periodic tender offer, for up to 5% of the Shares in issue at the relevant latest practicable date, was concluded in November 2025. The second periodic tender offer, for up to 5% of the Shares in issue at the relevant latest practicable date, was concluded in July 2026. The purpose of this document is to set out the terms and conditions of the third such periodic Tender Offer, with details of how Eligible Shareholders can tender Shares for purchase if they wish to do so and certain information required to be disclosed pursuant to the UK Listing Rules.
- 1.3 The Tender Price has again been set at a 5% discount to the prevailing Net Asset Value per Share as at the Calculation Date. This reflects the wider spreads amongst smaller companies and the costs associated with the exercise, allowing Eligible Shareholders who wish to realise a portion of their holding to do so at a price close to NAV whilst potentially providing for a modest uplift to Net Asset Value per Share for continuing Shareholders.
- 1.4 At the Company’s annual general meeting, held on 8 September 2026, Shareholders authorised the Company to buy back up to 10% of the Shares in issue on 8 September 2026 for the purpose of operating the Biannual Tender Offer Facility between 8 September 2026 and the Company’s annual general meeting to be held in 2027 or, if earlier, 8 December 2027.

2 BACKGROUND TO THE PROPOSALS

- 2.1 In March 2025, the Board announced three strategic initiatives designed to strengthen the investment proposition and deliver value for all Shareholders: (a) an active share buy back policy aimed at reducing the volatility of the discount at which the Shares were trading; (b) regular tender offers targeted at improving liquidity; and (c) reduced management fees.
- 2.2 In considering these initiatives and the Biannual Tender Offer Facility, the Board was conscious of Shareholders’ desire to improve the liquidity of the Shares whilst remaining cognisant of the liquidity constraints of the Company’s underlying portfolio.
- 2.3 In order to protect existing Shareholders and facilitate liquidity management in the underlying portfolio, the Tender Offer will be limited to a maximum of 5% of the Shares in issue as at the Latest Practicable Date.

- 2.4 The Tender Offer, which represents the third such periodic tender offer, is being made for up to 5,728,371 Shares at a Tender Price equal to a 5% discount to the prevailing Net Asset Value per Share as at the Calculation Date. Completion of the Tender Offer is expected to take place on 9 December 2026.
- 2.5 **If Eligible Shareholders do not wish to tender their Shares in the Company no action is required and such Eligible Shareholders should not complete or return a Tender Form or submit a TTE Instruction in CREST.**

3 THE COMPANY

3.1 Performance history

The Investment Manager has a long-term investment approach. Over the 10 years to 30 September 2026, the Company delivered a NAV total return of 172.3%, outperforming the Company's benchmark index, the MSCI Europe ex-UK SmallCap Index (in Sterling terms) (the "**Benchmark**"), by 53.7%. Since the Investment Manager's appointment in September 2006, the Company's has delivered an annualised NAV total return of 10.1%, 1.6% per annum ahead of the Benchmark.

The Investment Manager seeks to invest exclusively in high-quality growing companies based on the belief that over the long term, a company's ability to compound earnings and cash flows is the primary driver of investment returns. However, in the short term, factors such as investor flows, political developments and macroeconomic fluctuations can temporarily overshadow underlying fundamentals.

	6 months	1 year	3 year	5 year	10 year	MAM*
Total Returns (%)						
(to 30 September 2026)						
Share price	18.4%	5.3%	51.0%	(8.6)%	206.1%	591.4%
NAV per Share	18.3%	6.0%	42.2%	0.3%	172.3%	590.3%
Benchmark (Composite)	6.8%	8.8%	42.9%	23.3%	118.6%	409.9%

Sources: Morningstar Direct, Association of Investment Companies ('AIC'), Investment Manager.

*From the commencement of MAM's appointment as Investment Manager (September 2006).

3.2 Dividends

The Company expects to continue to pay two interim dividends in January and August each year. The second interim dividend relating to the year ending 31 March 2026 was paid alongside a special dividend in August 2026. The record date for the Company's interim dividend to be paid in January 2027 (the "**January Dividend**") will follow the Tender Record Date. Accordingly, Shareholders will not be eligible to receive the January Dividend in respect of any Shares which are successfully tendered and repurchased under the Tender Offer.

3.3 Outlook

European SmallCap ended the third quarter ahead of LargeCap, although the recovery remains uneven and incomplete. Rising bond yields and energy prices have contributed to renewed market volatility in recent months. Against this backdrop, the attractive valuations of SmallCap, both relative to their own history and to the wider European market, present an increasingly compelling opportunity for investors seeking diversification away from larger, more concentrated equity indices. While it may be too early to call a decisive turning point, the Investment Manager believes that the conditions for a sustained resumption of the long-term historical trend of SmallCap outperformance, and a more favourable environment for active stock pickers, are increasingly in place.

Within the portfolio, many of the Company's holdings are trading materially below their long-term average ratings whilst delivering double-digit earnings growth. The Investment Manager's process continues to identify profitable, high-return businesses that remain off the beaten track for most investors ('hidden gems'), and it believes that the quality of the portfolio remains as high as ever. The Investment Manager's focus remains on the operational performance and long-term prospects of portfolio companies, an approach it believes will deliver attractive returns for Shareholders over time.

4 FURTHER INFORMATION ON THE TENDER OFFER

- 4.1 The Board has arranged for J.P. Morgan Cazenove to conduct the Tender Offer for up to 5% of the Company's Shares in issue as at the Latest Practicable Date at the Tender Price. The Tender Price will be paid in cash. Further details of the Tender Offer are set out in Part 3 and Part 4 of this document.
- 4.2 The maximum number of Shares to be acquired under the Tender Offer is 5,728,371 Shares, representing 5% of the Shares in issue (excluding Shares held in treasury) as at the Latest Practicable Date (being 15 October 2026).
- 4.3 The Board may continue to make market purchases of Shares pursuant to its stated discount management policy during the Tender Offer period, to the extent that it has Shareholder authority to do so, meaning that the 5,728,371 Shares to be acquired may represent slightly more than 5% of the Shares in issue on completion of the Tender Offer.
- 4.4 The purchase of Shares under the Tender Offer is expected to result in a modest uplift in NAV per Share for Shareholders who continue with their investment in the Company.
- 4.5 The Tender Offer will only be open to Eligible Shareholders on the register at 18:00 hours on 18 November 2026 ("**Tender Record Date**"). The Tender Offer is subject to certain conditions set out in paragraph 2 of Part 4 of this document. In addition, the Tender Offer may be postponed or terminated in certain circumstances, as set out in paragraph 7 of Part 4 of this document.
- 4.6 The Tender Offer is intended to enable those Eligible Shareholders who wish to sell some or all of their Shares to elect to do so, subject to the overall limits of the Tender Offer. Eligible Shareholders who successfully tender Shares will receive the Tender Price per Share.
- 4.7 An Eligible Shareholder tendering up to their Basic Entitlement will have their tender satisfied in full. Any Eligible Shareholder tendering more than their Basic Entitlement will have their Excess Application satisfied if there are sufficient remaining Available Shares. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of certain Restricted Shareholders and any Sanctions Restricted Persons not being permitted to participate in the Tender Offer.
- 4.8 Shares that are tendered for acceptance under the Tender Offer may not be sold, transferred, lent, charged or otherwise disposed of other than in accordance with the Tender Offer. Shares that are tendered for acceptance under the Tender Offer may only be withdrawn with the prior consent of the Board and J.P. Morgan Cazenove.
- 4.9 The timing of the Calculation Date and for settlement of the consideration to which any Eligible Shareholder is entitled under the Tender Offer takes into account the period required for the orderly realisation of investments sufficient to meet accepted tenders and the time for the Company to receive the proceeds of such realisations.
- 4.10 Shareholders' attention is drawn to the letter from J.P. Morgan Cazenove in Part 2 of this document and to the details set out in Part 3 and Part 4 of this document which, together (in the case of Shares held in certificated form) with the Tender Form, constitute the terms and conditions of the Tender Offer. Details of how to tender Shares can be found in paragraph 3 of Part 4 of this document.
- 4.11 In making the Tender Offer, J.P. Morgan Cazenove will purchase the Shares which have been validly tendered as principal by means of an on-market purchase from tendering Shareholders and will sell the tendered Shares acquired by it on to the Company pursuant to the terms of the Repurchase Agreement. All Shares acquired by the Company from J.P. Morgan Cazenove under the Repurchase Agreement will be held in treasury.

5 OVERSEAS SHAREHOLDERS AND SANCTIONS RESTRICTED PERSONS

- 5.1 The making of the Tender Offer to persons outside the United Kingdom and the United States may be prohibited or affected by the laws of the relevant overseas jurisdictions. Shareholders with registered or mailing addresses outside the United Kingdom or the United States who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom or the United States should read carefully paragraph 9 of Part 4 of this document.
- 5.2 The Tender Offer is not being made to Shareholders who are resident in, or citizens of, a Restricted Jurisdiction to avoid breaching applicable local laws relating to the Tender Offer nor to any Sanctions Restricted Persons to avoid breaching sanctions imposed by any Sanctions Authority. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed in or into a Restricted Jurisdiction or to any Sanctions Restricted Persons.

6 US SHAREHOLDERS

- 6.1 The Tender Offer is being made to US Shareholders by J.P. Morgan Securities LLC, acting as nominee for J.P. Morgan Cazenove, in compliance with the applicable US tender offer rules under the Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of Scottish law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.
- 6.2 The attention of US Shareholders is drawn to the section titled "Notice For US Shareholders" on page 3 of this document.

7 TAXATION

Eligible Shareholders who sell Shares in the Tender Offer may, depending on their individual circumstances, incur a liability to taxation. The attention of Eligible Shareholders is drawn to Part 6 of this document which sets out a general guide to certain aspects of current law and tax authority practice in respect of UK taxation. **Eligible Shareholders should consult an appropriate professional adviser as to their tax position.**

8 COSTS AND EXPENSES

The costs and expenses relating to the Tender Offer will be reflected in the calculation of the Tender Price as explained in paragraph 1 of Part 3 of this document, and so will be borne by Shareholders as a whole.

9 ACTION TO BE TAKEN

Tender Form

- (a) **IF ELIGIBLE SHAREHOLDERS DO NOT WISH TO TENDER THEIR SHARES IN THE COMPANY, NO ACTION IS REQUIRED AND SUCH ELIGIBLE SHAREHOLDERS SHOULD NOT COMPLETE OR RETURN A TENDER FORM OR SUBMIT A TTE INSTRUCTION IN CREST.**
- (b) Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in certificated form should complete the Tender Form in accordance with the instructions set out thereon and return the completed Tender Form to Equiniti Limited, Highdown House, Yeoman Way, Worthing, West Sussex BN99 6DA to arrive as soon as possible and, in any event, by no later than 13:00 hours on 18 November 2026.
- (c) Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form.
- (d) Eligible Shareholders who wish to tender Shares and hold their Shares in uncertificated form (that is, in CREST) should arrange for the relevant Shares to be transferred to escrow by means of a TTE Instruction as described in paragraph 3 of Part 4 of this document.

10 NO RECOMMENDATION

- 10.1 **The Directors and the Investment Manager have a combined beneficial holding of Shares representing approximately 0.19% of the issued share capital and, due to their belief in the positive long-term outlook for the Company, will not participate in the Tender Offer.**
- 10.2 **The Directors are making no recommendation to Eligible Shareholders as to whether they should tender Shares in the Tender Offer. Whether Eligible Shareholders decide to tender Shares will depend, among other things, on their view of the Company's prospects and their own individual circumstances, including their tax position. Shareholders who are in any doubt as to the action they should take should consult an appropriate independent professional adviser.**

Yours faithfully

Gordon Neilly
Chairman

PART 2

LETTER FROM J.P. MORGAN CAZENOVE

25 Bank Street
Canary Wharf
London
E14 5JP

19 October 2026

To Shareholders of Montanaro European Smaller Companies Trust plc

Dear Sir or Madam

TENDER OFFER

As explained in the letter from your Chairman in Part 1 of this document, Eligible Shareholders are being given the opportunity to tender some or all of their Shares for purchase in the Tender Offer on the basis set out below and in accordance with Part 3 and Part 4 of this document.

This letter sets out the principal terms and conditions of the Tender Offer. Further details are set out in Part 3 and Part 4 of this document and (in the case of Shares held in certificated form) the accompanying Tender Form, which terms and conditions are deemed to be incorporated herein and form part of the Tender Offer.

J.P. Morgan Cazenove hereby invites Eligible Shareholders to tender Shares for purchase by J.P. Morgan Cazenove at the Tender Price.

This letter is not a recommendation to Eligible Shareholders to sell or tender their Shares and Eligible Shareholders are not obliged to tender any Shares. If Eligible Shareholders do not wish to tender their Shares in the Company, no action is required and such Eligible Shareholders should not complete or return a Tender Form or submit a TTE Instruction in CREST.

The Tender Offer is being made for up to 5% of the Company's issued share capital (excluding Shares held in treasury) as at the Latest Practicable Date (being 15 October 2026).

The Tender Price will be calculated as a 5% discount to the prevailing Net Asset Value per Share as at the Calculation Date, as more particularly set out in Part 3 of this document.

Successful tenders will be determined as follows:

- All Eligible Shareholders tendering up to their Basic Entitlement will have their tender satisfied in full; and
- Eligible Shareholders tendering Excess Applications will have their Excess Applications fulfilled if there are remaining Available Shares for such purpose. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of Restricted Shareholders and any Sanctions Restricted Persons not being permitted to participate in the Tender Offer.

1 CONDITIONS OF THE TENDER OFFER

1.1 The Tender Offer will not proceed unless it becomes unconditional. The following are the principal conditions of the Tender Offer (the full conditions of the Tender Offer are set out in Part 4 of this document):

- (a) the Repurchase Agreement not having been terminated in accordance with its terms;
- (b) the Directors being satisfied on reasonable grounds that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of all Shares successfully tendered pursuant to the Repurchase Agreement; and

- (c) the Tender Offer not lapsing, being postponed or terminated in accordance with the provisions set out in paragraph 7 of Part 4 of this document.
- 1.2 In the event that the Directors are not satisfied that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of the Exit Shares in accordance with the Repurchase Agreement but would have sufficient distributable profits if a lesser number of Exit Shares were purchased by J.P. Morgan Cazenove under the Tender Offer, then J.P. Morgan Cazenove may, at its sole discretion and subject to the terms of the Repurchase Agreement, purchase such of the Exit Shares on a *pro rata* basis up to, and subject to, the number that the Company is lawfully permitted to purchase under the Repurchase Agreement, as notified to J.P. Morgan Cazenove in writing by the Company by no later than the Business Day immediately preceding the date of purchase of the relevant Exit Shares by J.P. Morgan Cazenove.

2 PROCEDURE FOR TENDERING SHARES

Full details of the procedure for tendering Shares are set out in Part 3 and Part 4 of this document and (in the case of Shares held in certificated form) in the Tender Form.

3 ELIGIBLE SHAREHOLDERS

3.1 Shares held in certificated form

- (a) Eligible Shareholders who wish to tender their Shares should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form to the address on it as soon as possible and in any event, in order to be valid, so as to arrive by no later than 13:00 hours on 18 November 2026.
- (b) Eligible Shareholders who hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof.

3.2 Shares held in uncertificated form

Eligible Shareholders who hold their Shares in uncertificated form (i.e. in CREST) and who wish to tender all or any of their Shares should tender electronically through CREST so that the TTE Instruction settles by no later than 13:00 hours on 18 November 2026. The CREST Manual may also assist you in making a TTE Instruction.

4 TRANSFER OF TENDERED SHARES

Eligible Shareholders should note that, once tendered, Shares may not be sold, transferred, lent, charged or otherwise disposed of other than in accordance with the Tender Offer. Although the Tender Form for Eligible Shareholders must be returned by 13:00 hours on 18 November 2026, the purchase of any Shares by J.P. Morgan Cazenove may not be effected until 9 December 2026 or such later date as may be agreed between the Company and J.P. Morgan Cazenove if the Tender Offer is postponed in accordance with paragraph 2.2 of Part 4 of this document (such date not being later than 12 January 2027). Upon having returned a Tender Form, an Eligible Shareholder is deemed to accept that such a tender application may not be withdrawn or cancelled, save with the consent of the Board and J.P. Morgan Cazenove (at their sole discretion) before the Tender Closing Date.

5 VALIDITY OF TENDER FORMS

Tender Forms which are received by Equiniti after 13:00 hours on 18 November 2026 or which at that time are incorrectly completed or, in respect of Eligible Shareholders, not accompanied by all relevant documents or instructions may be rejected and returned to Eligible Shareholders or their appointed agent, together with any accompanying share certificate(s) and/or other document(s) of title or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof. However, J.P. Morgan Cazenove reserves the right to treat as valid Tender Forms which are not entirely in order and which, in respect of the Eligible Shareholders, are not accompanied by the relevant share certificate(s) and/or other document(s) of title or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof and shall be entitled (in its sole discretion) to accept late Tender Forms.

6 OVERSEAS SHAREHOLDERS AND SANCTIONS RESTRICTED PERSONS

- 6.1 The making of the Tender Offer to persons outside the United Kingdom and the United States may be prohibited or affected by the laws of the relevant overseas jurisdictions. Shareholders with registered or mailing addresses outside the United Kingdom or the United States or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom or the United States should read carefully paragraph 9 of Part 4 of this document.
- 6.2 The Tender Offer is not being made to Shareholders who are resident in, or citizens of, a Restricted Jurisdiction to avoid breaching applicable local laws relating to the Tender Offer nor to any Sanctions Restricted Persons to avoid breaching sanctions imposed by any Sanctions Authority. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed in or into a Restricted Jurisdiction or to any Sanctions Restricted Persons.
- 6.3 It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including without limitation, any relevant requirements in relation to the ability of such Shareholders to participate in the Tender Offer.

7 US SHAREHOLDERS

- 7.1 The Tender Offer is being made to US Shareholders by J.P. Morgan Securities LLC, acting as nominee for J.P. Morgan Cazenove, in compliance with the applicable US tender offer rules under the Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of Scottish law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.
- 7.2 The attention of US Shareholders is drawn to the section titled “Notice For US Shareholders” on page 3 of this document.

8 SETTLEMENT

Subject to the Tender Offer becoming unconditional and the acquisition of the Exit Shares by J.P. Morgan Cazenove, payment of the Tender Price due to Eligible Shareholders whose tenders under the Tender Offer have been accepted is expected to be made as follows:

- in the case of uncertificated shares – payments through CREST are expected to be made and CREST accounts settled by 11 December 2026; and
- in the case of certificated shares – cheques and balancing share certificates are expected to be despatched to certificated Shareholders by 18 December 2026.

9 FURTHER INFORMATION

Your attention is drawn to the information contained in the rest of this document, including, in particular, the mechanics of the Tender Offer and terms and conditions of the Tender Offer set out in Part 3 and Part 4 of this document.

Yours faithfully,

J.P. Morgan Cazenove

PART 3

FURTHER INFORMATION ON THE TENDER OFFER

1 CALCULATION OF TENDER PRICE

- 1.1 The Tender Price will be the amount equivalent to 95% of the Net Asset Value per Share as at close of business on the Calculation Date, calculated in accordance with the Company's normal accounting policies and expressed in pence Sterling to four decimal places with 0.00005 pence being rounded downwards.
- 1.2 The calculation of the Tender Price in accordance with paragraph 1.1 above will take place after the Calculation Date.

2 EXCESS APPLICATIONS

- 2.1 Basic Entitlements will be calculated by reference to registered shareholdings as at the Tender Record Date and will be rounded down to the nearest whole number of Shares. Registered Eligible Shareholders who hold Shares for multiple beneficial owners may decide allocations among such beneficial owners at their own discretion.
- 2.2 Eligible Shareholders may tender Shares in excess of their respective Basic Entitlement. Such Eligible Shareholders will have their Excess Applications fulfilled if there are remaining Available Shares for such purpose. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of Restricted Shareholders and any Sanctions Restricted Persons not being permitted to participate in the Tender Offer.

3 GENERAL

The Company's administrator, Juniper Partners Limited, will prepare, or procure the preparation of the Net Asset Value and the Tender Price as at the Calculation Date. The relevant calculations shall be final and binding on all Shareholders.

PART 4

TERMS AND CONDITIONS OF THE TENDER OFFER

1 TENDERS

- 1.1 All Shareholders on the Register at the Tender Record Date (other than Shareholders in a Restricted Jurisdiction and any Sanctions Restricted Persons) may tender Shares for purchase by J.P. Morgan Cazenove (acting as principal) on the terms and subject to the conditions set out in this document and, in the case of Shares in certificated form, the accompanying Tender Form (which together with this document constitutes the Tender Offer). Eligible Shareholders are not obliged to tender any Shares.
- 1.2 The Tender Offer is made at the Tender Price to be calculated in accordance with Part 3 of this document.
- 1.3 The consideration for each tendered Share acquired by J.P. Morgan Cazenove pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 4 below.
- 1.4 Basic Entitlements will be calculated by reference to registered shareholdings as at the Tender Record Date and will be rounded down to the nearest whole number of Shares. Registered Eligible Shareholders who hold Shares for multiple beneficial owners may decide allocations among such beneficial owners at their own discretion.
- 1.5 Eligible Shareholders may tender Shares in excess of their respective Basic Entitlement. Such Eligible Shareholders will have their Excess Applications fulfilled if there are remaining Available Shares for such purpose. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of Restricted Shareholders and any Sanctions Restricted Persons not being permitted to participate in the Tender Offer.
- 1.6 A maximum of 5,728,371 Shares will be acquired by J.P. Morgan Cazenove under the Tender Offer, representing 5% of the Shares in issue (excluding Shares held in treasury) as at the Latest Practicable Date.

2 CONDITIONS

- 2.1 The Tender Offer is conditional on the following (together the “**Conditions**”):
 - (a) the Repurchase Agreement not having been terminated in accordance with its terms;
 - (b) the Board and J.P. Morgan Cazenove being satisfied that the Company has in its control or to its order the aggregate of the Tender Price for all successfully tendered Shares and the Company having paid the same into an account of J.P. Morgan Cazenove in accordance with the Repurchase Agreement;
 - (c) subject to paragraph 2.3 below, the Directors being satisfied on reasonable grounds that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of the Exit Shares pursuant to the Repurchase Agreement. For the avoidance of doubt, the Directors were satisfied as to this requirement as at the Latest Practicable Date;
 - (d) J.P. Morgan Cazenove being satisfied, acting in good faith, that at all times up to and immediately prior to it effecting the purchase, as principal, of the Exit Shares pursuant to the Tender Offer, the Company has complied with its obligations, and is not in breach of any representations, warranties and undertakings given by it, under the Repurchase Agreement; and
 - (e) the Tender Offer not having been terminated in accordance with paragraph 7 of this Part 4 prior to the fulfilment of the conditions referred to in paragraph 2.1 above.

- 2.2 J.P. Morgan Cazenove will not purchase (or enter into any commitment or contract to purchase) Shares pursuant to the Tender Offer unless the Conditions have been satisfied (or, where applicable, waived by J.P. Morgan Cazenove). The Conditions other than the Conditions set out in sub-paragraphs 2.1(b) and 2.1(d), may not be waived by J.P. Morgan Cazenove. If the Conditions are not satisfied (or, where applicable, waived) prior to the close of business on 9 December 2026, J.P. Morgan Cazenove may postpone completion of the Tender Offer for up to 20 Business Days after which time the Tender Offer, if not then completed, will lapse.
- 2.3 In the event that the Directors are not satisfied that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of all the Exit Shares in accordance with the Repurchase Agreement but would have sufficient distributable profits if a lesser number of Exit Shares were purchased by J.P. Morgan Cazenove under the Tender Offer, then J.P. Morgan Cazenove may, at its sole discretion and subject to the terms of the Repurchase Agreement, purchase such of the Exit Shares on a *pro rata* basis up to, and subject to, the number that the Company is lawfully permitted to purchase under the Repurchase Agreement, as notified to J.P. Morgan Cazenove in writing by the Company by no later than the Business Day immediately preceding the date of purchase of the relevant Exit Shares by J.P. Morgan Cazenove.

3 PROCEDURE FOR TENDERING SHARES

To tender Shares if you are an Eligible Shareholder you must complete, sign and return the accompanying Tender Form or submit a TTE Instruction in CREST in accordance with this paragraph 3 and the instructions printed on the Tender Form.

3.1 Procedure for Shares held in certificated form (that is, not in CREST)

If you hold your Shares in certificated form, to participate in the Tender Offer, you must complete the Tender Form which (where applicable) accompanies this document. Details of the procedures to be followed are set out in the Tender Form. If you hold Shares in certificated form, you should complete a separate Tender Form for each holding. In addition, you should complete separate Tender Forms for Shares held in certificated form but under different designations. Additional Tender Forms are available from Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 08:30 hours to 17:30 hours Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. No acknowledgement of receipt of returned forms will be given.

The completed and signed Tender Form should be sent by post to the address on the form as soon as possible and, in any event, so as to arrive by no later than 13:00 hours on 18 November 2026. The Company and J.P. Morgan Cazenove (in their sole discretion) shall be entitled (at their sole discretion) to accept late Tender Forms. Provisions relating to Overseas Shareholders are contained in paragraph 9 of this Part 4.

By signing the Tender Form, Shareholders will be deemed to have appointed the Registrar as agent in respect of settlement of the purchase of Shares by J.P. Morgan Cazenove. J.P. Morgan Cazenove will therefore issue a contract note to the Registrar with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

The completed and signed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent), the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by Equiniti by no later than 13:00 hours on 18 November 2026 together with any share certificate(s) and/or other document(s) of title that you may have available, accompanied by a letter of explanation stating that the (remaining) share certificate(s) and/or other documents(s) of title will be forwarded as soon as possible thereafter and, in any event, by no later than 13:00 hours on 18 November 2026.

If you have lost your share certificate(s) and/or other document(s) of title, you should contact the Registrar for a letter of indemnity in respect of the lost share certificate(s) which, when completed in accordance with the instructions given, should be returned to the Registrar at the address on the Tender Form so as to be received by no later than 13:00 hours on 18 November 2026. The Registrar can be contacted on telephone number +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 08:30 hours and 17:30 hours, Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

3.2 Procedure for Shares held in CREST

If you are an Eligible Shareholder and the Shares which you wish to tender are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares which you wish to tender under the Tender Offer to an escrow balance, specifying Equiniti (in its capacity as a CREST escrow agent under its participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by no later than 13:00 hours on 18 November 2026. The Board and J.P. Morgan Cazenove (in their sole discretion) shall be entitled to accept late transfers to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shares which you wish to tender. You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- the total number of Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, Equiniti, in its capacity as a CREST receiving agent. This is 6RA52;
- the member account ID of the escrow agent, this is: RA008757;
- the corporate action number for the Tender Offer. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow. This should be as soon as possible and in any event by no later than 13:00 hours on 18 November 2026;
- the ISIN of the Shares, which is GB00BM8H3X05;
- the input with the standard transfer to escrow delivery instruction priority 80; and
- a contact name and telephone number in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding they will be held by the Registrar as your agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional, the Registrar will transfer the Shares which are accepted for purchase by J.P. Morgan Cazenove to itself as their agent.

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

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply

in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Shares to settle prior to 13:00 hours on 18 November 2026. In this connection you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Board and J.P. Morgan Cazenove shall be entitled (in their sole discretion) to accept late TTE Instructions.

An appropriate announcement will be made if any of the details contained in this paragraph 3 are altered.

3.3 Deposits of Shares into, and withdrawals of Shares from, CREST

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to 13:00 hours on 18 November 2026.

3.4 Validity of Tender Forms

Notwithstanding the powers in paragraph 8.4 below, the Board and J.P. Morgan Cazenove reserve the right to treat as valid only Tender Forms which are entirely in order and are received by no later than 13:00 hours on 18 November 2026 and which are accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof or (in the case of Shares held in uncertificated form) by the relevant TTE Instruction in respect of the entire number of Shares tendered. The Tender Closing Date for Shareholders is at 13:00 hours on 18 November 2026.

Notwithstanding the completion of a valid Tender Form, the Tender Offer may be postponed, terminated or may lapse in accordance with the terms and conditions set out in this Part 4.

J.P. Morgan Cazenove shall be entitled to accept Tender Forms which are received after the Tender Closing Date. The decision of J.P. Morgan Cazenove as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders. If you are in any doubt as to how to complete the Tender Form or as to the procedure for tendering Shares, please contact Equiniti on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 08:30 hours and 17:30 hours, Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4 SETTLEMENT

4.1 Payment of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by J.P. Morgan Cazenove is expected to be made as follows:

- in the case of uncertificated Shares – payments through CREST are expected to be made and CREST accounts settled by 11 December 2026; and
- in the case of certificated Shares – cheques and balancing share certificates are expected to be despatched to certificated Shareholders by 18 December 2026.

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

Where an accepted tender relates to Shares held in certificated form, cheques for the consideration due will be dispatched by Equiniti by first class post to the person or agent whose name and address is set out in Box 1 (or, if relevant, Box 4) of the Tender Form or,

if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named. All cash payments will be made in Sterling by cheque drawn on a branch of a UK clearing bank.

(b) **Shares held in CREST**

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

4.2 If only part of a holding of Shares is sold pursuant to the Tender Offer:

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

5 REPRESENTATIONS AND WARRANTIES

Tender Form – Representations and warranties

5.1 Each Shareholder by whom, or on whose behalf, a Tender Form is executed irrevocably undertakes, represents, warrants and agrees to and with J.P. Morgan Cazenove (for itself and for the benefit of the Company) (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- (a) the execution of the Tender Form shall constitute an offer to sell to J.P. Morgan Cazenove the number of Shares inserted or deemed to be inserted in Box 1A or 1B (as appropriate) of the Tender Form on and subject to the terms and conditions set out or referred to in this document and the Tender Form and that, once lodged, such offer shall be irrevocable;
- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the Shares are purchased by J.P. Morgan Cazenove, J.P. Morgan Cazenove will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Tender Closing Date including the right to receive all dividends and other distributions declared paid or made after that date (but, for the avoidance of doubt, Shareholders will not be eligible to receive the January Dividend in respect of any Shares which are successfully tendered and repurchased under the Tender Offer);
- (c) the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of J.P. Morgan Cazenove as such Shareholder's attorney and/or agent ("**attorney**"), and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Shares referred to in paragraph 5.1(a) above in favour of J.P. Morgan Cazenove or such other person or persons as J.P. Morgan Cazenove may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the share certificate(s) and/or other document(s) relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in J.P. Morgan Cazenove or its nominee(s) or such other person(s) as J.P. Morgan Cazenove may direct such Shares;
- (d) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by J.P. Morgan Cazenove or any of its directors or any person nominated by J.P. Morgan Cazenove in the proper exercise of its or his or her powers and/or authorities hereunder;

- (e) such Shareholder will deliver to the Registrar their Share certificate(s) and/or other document(s) of title in respect of the Shares referred to in sub-paragraph 5.1(a) above, or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, by no later than the Tender Closing Date;
- (f) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by J.P. Morgan Cazenove to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (g) if such Shareholder is an Overseas Shareholder,
 - (i) it is not in any Restricted Jurisdiction or in any territory in which it is unlawful to make or accept the Tender Offer or to use the Tender Form in any manner in which such person has used or will use it;
 - (ii) it has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located; and
 - (iii) the invitation under the Tender Offer may lawfully be made to such Overseas Shareholder under the laws of the relevant jurisdiction;
- (h) such Shareholder has not received or sent copies or originals of the Tender Form, or any related documents into a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, the internet, facsimile transmission, telex, telephone and e-mail) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Jurisdiction and that such Shareholder is not accepting the Tender Offer from any Restricted Jurisdiction;
- (i) the Shareholder is not a Sanctions Restricted Person;
- (j) the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- (k) the dispatch of a cheque in respect of the Tender Price to such Shareholder at his registered address or such other address as is specified in the Tender Form will constitute a complete discharge by J.P. Morgan Cazenove of its obligations to make such payment to such Shareholder;
- (l) on execution, the Tender Form takes effect as a deed; and
- (m) the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of, or in connection with, the Tender Offer or the Tender Form.

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

Tenders through CREST – Representations and warranties

- 5.2 Each Shareholder who holds Shares in uncertificated form (i.e. in CREST) and by whom, or on whose behalf, a tender through CREST is made, irrevocably undertakes, represents, warrants and agrees to and with J.P. Morgan Cazenove (for itself and for the benefit of the Company) (so as to bind him, his personal representatives, heirs, successors and assigns) that:
- (a) the input of the TTE Instruction shall constitute an offer to sell to J.P. Morgan Cazenove the number of Shares specified in the TTE Instruction on and subject to the terms and conditions set out or referred to in this document, and that once the TTE Instruction has settled such tender shall be irrevocable;

- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by J.P. Morgan Cazenove, J.P. Morgan Cazenove will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Tender Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date (but, for the avoidance of doubt, Shareholders will not be eligible to receive the January Dividend in respect of any Shares which are successfully tendered and repurchased under the Tender Offer);
- (c) the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent, to transfer to itself and then to transfer to J.P. Morgan Cazenove by means of CREST (or to such person or persons as J.P. Morgan Cazenove may direct) all of the Relevant Shares (as defined below) accepted under the Tender Offer or where there are Shares which have not been successfully tendered under the Tender Offer, to transfer the Relevant Shares not successfully tendered to the original available balances from which those Shares came. For the purposes of this paragraph 5.2(c), "Relevant Shares" means Shares held in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part 4;
- (d) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by J.P. Morgan Cazenove or the Receiving Agent or any of their respective directors or officers or any person nominated by J.P. Morgan Cazenove or the Receiving Agent in the proper exercise of its or his or her powers and/or authorities hereunder;
- (e) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by J.P. Morgan Cazenove to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (f) if such Shareholder is an Overseas Shareholder:
 - (i) he, she or it is not in any Restricted Jurisdiction or in any territory in which it is unlawful to make or accept the Tender Offer in any manner in which such person has used or will use it;
 - (ii) he, she or it has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located;
 - (iii) the invitation under the Tender Offer may lawfully be made to such Overseas Shareholder under the laws of the relevant jurisdiction; and
 - (iv) his, her or its offer to sell Shares to J.P. Morgan Cazenove, including the input of the TTE Instruction, and any acceptance thereof, shall not be unlawful under the laws of any jurisdiction;
- (g) such Shareholder has not received or sent copies or originals of this document or any related documents in or to a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction, and that such Shareholder is not accepting the Tender Offer from any Restricted Jurisdiction;
- (h) such Shareholder is not a Sanctions Restricted Person;
- (i) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 4

above will, to the extent of the obligations so created, discharge fully any obligation of J.P. Morgan Cazenove to pay to such Shareholder the cash consideration to which he, she or it is entitled in the Tender Offer;

- (j) the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer;
- (k) if, for any reason any Shares in respect of which a TTE Instruction has been made are, prior to 13:00 hours on 18 November 2026, converted into certificated form, the tender(s) through CREST in respect of such Shares shall cease to be valid;
- (l) if the appointment of the agent under sub-paragraph 5.2(c) above shall be unenforceable or invalid or shall not operate so as to afford to J.P. Morgan Cazenove or the Receiving Agent the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable J.P. Morgan Cazenove and/or the Receiving Agent to secure the full benefits of sub-paragraph 5.2(c) above; and
- (m) such Shareholder shall not take any action which would prevent the Company or the Registrar from cancelling the Shares to which the TTE Instructions relate.

6 ADDITIONAL PROVISIONS

- 6.1 Each Eligible Shareholder may tender some of or all of their holding of Shares by the Tender Closing Date, subject to scaling down of tenders in excess of such Shareholders' Basic Entitlement in terms of this Part 4.
- 6.2 If a Shareholder holding a share certificate does not return this by no later than 13:00 hours on 18 November 2026, J.P. Morgan Cazenove may deem (in its sole discretion) that such Shareholder has only tendered the number of Shares in respect of which share certificate(s) or other document(s) of title have been received.
- 6.3 Shares acquired by J.P. Morgan Cazenove, acting as principal, under the Tender Offer will be on-market purchases in accordance with the rules of the London Stock Exchange.
- 6.4 Shares sold by Shareholders pursuant to the Tender Offer will be acquired with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Tender Closing Date including the right to receive all dividends and other distributions declared, paid or made after that date.
- 6.5 Unless lapsed, postponed or terminated in accordance with the provisions of this Part 4, the Tender Offer will close at 13:00 hours on 18 November 2026 and it is expected that on 20 November 2026 the Company will make a public announcement of the total number of Shares tendered successfully.
- 6.6 Each Eligible Shareholder who tenders or procures the tender of Shares will thereby be deemed to have agreed that, in consideration of J.P. Morgan Cazenove agreeing to process their tender, such Eligible Shareholder will not revoke their tender or withdraw their Shares. Eligible Shareholders should note that once tendered, these Shares may not be sold, transferred, lent, charged or otherwise disposed of other than in accordance with the Tender Offer.
- 6.7 Any omission to dispatch this document or the Tender Forms or any notice required to be dispatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 6.8 No acknowledgement of receipt of any Tender Form(s), TTE Instruction, share certificate(s) and/or document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Eligible Shareholders (or their designated agents) will be delivered by or sent to or from such Eligible Shareholders (or their designated agents) at their own risk.

- 6.9 All powers of attorney and authorities on the terms conferred by or referred to in this Part 4 or in the Tender Form are given by way of security for the performance of the obligations or the Eligible Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 6.10 All tenders in respect of Shares in certificated form, subject to paragraphs 9, 10 and 11 below, must be made on the relevant prescribed Tender Form, duly completed in accordance with the instructions set out thereon which constitute part of the terms of the Tender Offer. A tender in respect of Shares held in certificated form will only be valid when the procedures contained in the terms and conditions set out in this Part 4 and in the Tender Forms are complied with. The Tender Offer and all tenders will be governed by and construed in accordance with English law. Delivery or posting of any of a Tender Form or the transmission of a TTE Instruction in CREST will constitute submission to the jurisdiction of the English courts.
- 6.11 If the Tender Offer does not become unconditional, lapses or is terminated, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the later of the Tender Offer lapsing or terminating, to the person or agent whose name and address is set out in Box 1 or, if applicable, Box 4 of the Tender Form, if none is set out, to the tendering Shareholder or, in the case of joint holders, the first named at their registered address. In the case of Shares held in uncertificated form, the Registrar in their capacity as the escrow agent will, within 14 Business Days of the Tender Offer lapsing, give instructions to Euroclear to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances the Tender Form will cease to have any effect.
- 6.12 None of J.P. Morgan Cazenove, the Registrar or the Company will accept responsibility or liability for documentation lost or destroyed in the postal system.
- 6.13 In the case of Shares held in certificated form, the instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the terms of the Tender Offer.
- 6.14 The definitions set out in this document apply to the terms and conditions set out in this Part 4.
- 6.15 Subject to paragraphs 9 and 10 below, the Tender Offer is open to Eligible Shareholders in respect of Shares held by them on the Tender Record Date, and will close at 13:00 hours on 18 November 2026. No Tender Form, share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted, except at the sole discretion of the Board and J.P. Morgan Cazenove.
- 6.16 The decision of J.P. Morgan Cazenove as to which Shares have been successfully tendered shall be conclusive and binding on all Shareholders.
- 6.17 Further copies of this document and the Tender Forms may be obtained on request from the Registrar (in the case of registered Eligible Shareholders), at the addresses set out on the front of the Tender Forms or by telephoning them as described in paragraph 3.1 of this Part 4.

7 TERMINATION OF THE TENDER OFFER

- 7.1 If, at any time prior to J.P. Morgan Cazenove effecting the purchase as principal of the Exit Shares pursuant to the terms of the Tender Offer,
- (a) the Company (acting through the Directors) notifies J.P. Morgan Cazenove in writing that in the Directors' reasonable opinion the Tender Offer would no longer be in the interests of the Company and/or Shareholders; or
 - (b) in either J.P. Morgan Cazenove's and/or the Board's absolute determination, as a result of any change in national or international financial, economic, political or market conditions, the costs of the Tender Offer have become prohibitive; or
 - (c) in either J.P. Morgan Cazenove's and/or the Company's absolute determination the completion of the purchase of Shares in the Tender Offer could have unexpected adverse

fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed,

J.P. Morgan Cazenove and/or the Company shall be entitled at its complete discretion by a public announcement to withdraw the Tender Offer, and in such event the Tender Offer shall cease and determine absolutely, without any liability on the part of the Company or J.P. Morgan Cazenove.

8 MISCELLANEOUS

- 8.1 Any postponement or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof by no later than close of business on the Business Day following the date of such changes. Such an announcement will be notified to a Regulatory Information Service provider. References to the making of an announcement by the Company include the release of an announcement on behalf of the Company by J.P. Morgan Cazenove to the press and delivery of, by telephone or facsimile or other electronic transmission of, such announcement to a Regulatory Information Service.
- 8.2 Tendering Shareholders will not be obliged to pay brokerage fees, commissions or transfer taxes or stamp duty in the UK on the purchase by J.P. Morgan Cazenove of Shares pursuant to the Tender Offer.
- 8.3 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by J.P. Morgan Cazenove or the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 8.4 J.P. Morgan Cazenove reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and TTE Instructions and may consider void and reject any tender that does not in J.P. Morgan Cazenove's sole judgment (acting reasonably) meet the requirements of the Tender Offer. J.P. Morgan Cazenove reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form or TTE Instruction (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Shares held in certificated form) the relevant share certificate(s) and/or other document(s) of title or any indemnity acceptable to J.P. Morgan Cazenove in lieu thereof. In that event, the consideration under the Tender Offer will only be dispatched when the Tender Form or TTE Instruction (as appropriate) is entirely in order and (in the case of Shares held in certificated form) the share certificate(s) and/or other document(s) of title or an indemnity acceptable to J.P. Morgan Cazenove have been received. None of J.P. Morgan Cazenove, the Company nor any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. J.P. Morgan Cazenove also reserves the right to treat as valid Tender Forms or TTE Instructions received by the Receiving Agent after the deadline specified for receipt of Tender Forms and TTE Instructions.
- 8.5 Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from J.P. Morgan Cazenove by the Company on the main market of the London Stock Exchange pursuant to the Repurchase Agreement at a price per Share equal to the Tender Price and such Shares will be held in treasury.
- 8.6 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this document.

9 OVERSEAS SHAREHOLDERS

- 9.1 The making of the Tender Offer in or to persons who are citizens or nationals of, or resident in, jurisdictions outside of the United Kingdom or the United States or custodians, nominees or trustees for citizens, nationals or residents of jurisdictions outside of the United Kingdom or the United States may be prohibited or affected by the laws of the relevant overseas jurisdiction. Shareholders who are Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Shareholder wishing to

tender Shares to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and J.P. Morgan Cazenove and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Forms in any territory outside the United Kingdom and the United States.

- 9.2 In particular, the Tender Offer is not being offered, directly or indirectly, in or into, or by use of the mails, or by any means or instrument (including, without limitation, the internet, facsimile transmission, telex, telephone and e-mail) or interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction. Accordingly, the Tender Forms and any related documents are not being and must not be mailed or otherwise distributed or sent in or into any Restricted Jurisdiction, including to Shareholders with registered addresses in any Restricted Jurisdiction or to persons whom J.P. Morgan Cazenove knows to be custodians, nominees or trustees holding Shares for persons in any Restricted Jurisdiction. Receipt of this document and/or Tender Forms will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and in those circumstances, this document and/or Tender Forms will be deemed to have been sent for information only and should not be copied or redistributed. Persons receiving such documents or wishing to accept the Tender Offer should not distribute or send them in, into or from any Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer and so doing will render invalid any related purported acceptance of the Tender Offer. All accepting Shareholders must provide addresses outside the Restricted Jurisdictions for the remittance of cash or the return of documents lodged pursuant to the Tender Offer. A Shareholder will be deemed not to have accepted the Tender Offer if:
- (a) such Shareholder is unable to make the representations and warranties set out in paragraphs 5.1(g), 5.1(h), and 5.1(i) or paragraphs 5.2(f), 5.2(g) and 5.2(h), as applicable, set out in paragraph 5 of this Part 4;
 - (b) the Company and/or J.P. Morgan Cazenove determines that such Shareholder is a Sanctions Restricted Person;
 - (c) such Shareholder completes Box 1 of the Tender Forms with an address in any Restricted Jurisdiction; or
 - (d) the Tender Forms received from him is in an envelope postmarked in, or which otherwise appears to J.P. Morgan Cazenove or its agents to have been sent from any Restricted Jurisdiction.

J.P. Morgan Cazenove reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether any relevant representation and warranty referred to in paragraphs 5.1(g), 5.1(h) and 5.1(i) or paragraphs 5.2(f), 5.2(g) and 5.2(h), as applicable, of this Part 4 of this document given by any Shareholder are correct and, if such investigation is undertaken and as a result J.P. Morgan Cazenove determines (for any reason) that any such representation and warranty is not correct, such acceptance shall not be valid.

- 9.3 If, in connection with making the Tender Offer notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees) whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Forms or any related offering documents in, into or from any Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, the internet, facsimile transmission, telex, telephone and e-mail) of interstate or foreign commerce of, or any facility of a national securities exchange of, any Restricted Jurisdiction in connection with such forwarding, such persons should:

- (a) inform the recipient of such fact;
 - (b) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (c) draw the attention of the recipient to this paragraph 9.
- 9.4 The provisions of this paragraph 9 and any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Overseas Shareholders or on a general basis by J.P. Morgan Cazenove in its absolute discretion but only if J.P. Morgan Cazenove is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other legal or regulatory requirements.
- 9.5 The provisions of this paragraph 9 supersede any terms of the Tender Offer inconsistent herewith.
- 9.6 Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. The comments set out in this document are intended as a general guide only and Shareholders who are in any doubt about their position should consult their professional adviser in the relevant territory.

10 US SHAREHOLDERS

- 10.1 The receipt of cash pursuant to the Tender Offer may be a taxable transaction for US federal income tax purposes. In addition, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States. Each US Shareholder should consult and seek individual tax advice from an appropriate professional adviser.
- 10.2 The Tender Offer is being made to US Shareholders in compliance with the applicable US tender offer rules under the Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of Scottish law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.
- 10.3 The attention of US Shareholders is drawn to the section titled “Notice For US Shareholders” on page 3 of this document.

11 DATA PROTECTION

The tendering of Shares by Shareholders in the Tender Offer may involve the provision to the Company as data controller of personal data in respect of the relevant Shareholder, which may include information in respect of the Company’s anti-money laundering and “know your customer” obligations. Provision and processing of this data is necessary for a Shareholder to enter into the contract to tender Shares under the Tender Offer. The Company will share any such personal data with the Registrar and J.P. Morgan Cazenove and the Company’s other professional advisers for the purposes of completing the Tender Offer. Any such personal data shall not be shared with any other person or used for any other purpose. The personal data may be transferred to, and stored at, a country outside the country of residence of a Shareholder, including countries outside of the EEA. Where personal data is transferred to third parties outside the EEA, the Company will ensure that those transfers take place in accordance with the applicable data protection laws, including by entering into data transfer agreements with recipients. The Company will retain any such personal data for so long as is required by applicable law and regulation. Individuals whose personal data is held by the Company may be entitled to access their personal information, or to request that it is erased, that its processing is restricted, or that any inaccurate information is rectified. Such individuals may also have the right to object to the processing of their personal information, or in some circumstances to obtain a copy of the personal information in machine readable format. Any such request should be submitted in writing to the Company at its registered office address. Individuals also have the right to complain about the use of their personal information to any applicable supervisory authority, which in the UK is the Information Commissioner’s Office (www.ico.org.uk).

12 MODIFICATIONS

The terms of the Tender Offer shall have effect subject to such non-material modifications or additions as the Company and J.P. Morgan Cazenove may from time to time approve in writing. The times and dates referred to in this document may be amended by agreement between the Company and J.P. Morgan Cazenove and any such amendment shall be publicly announced as promptly as practicable by way of a Regulatory Information Service.

PART 5

RISK FACTORS

Eligible Shareholders should consider carefully all of the information set out in this document including, in particular, the risks associated with the Tender Offer described below, as well as their own personal circumstances, prior to making any decision as to whether or not to tender any Shares in the Tender Offer.

Additional risks and uncertainties which were not known to the Board at the date of this document or that the Board considers at the date of this document to be immaterial (based on the assumption that the Tender Offer is implemented) may also materially and adversely affect the Company's business, financial condition or results or prospects.

Eligible Shareholders should be aware of the following considerations relating to the Tender Offer:

- In order to pay the consideration to which Eligible Shareholders are entitled pursuant to valid tenders of Shares accepted by J.P. Morgan Cazenove (and which the Company will then be obliged to repurchase from J.P. Morgan Cazenove), it is expected that the Investment Manager will realise a proportion of the Company's investment portfolio and, in addition, that the Company will use available cash and other liquid funds. The realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company or the Investment Manager and, therefore, the price obtained for such sales may be lower than the current market value of the investments in question.
- Eligible Shareholders tendering Shares for sale under the Tender Offer will receive the Tender Price per Share, which may be less than the price at which they bought their Shares or the price or value at which they might ultimately realise their Shares should they continue to hold them.
- Tender Forms and TTE Instructions, once submitted, are irrevocable. Eligible Shareholders should note that all Shares tendered will be held in escrow by the Registrar and may not be switched, sold, transferred, lent, charged or otherwise disposed of other than in accordance with the Tender Offer. The price of the Shares and the Company's Net Asset Value may rise or fall following submission of a Tender Form and/or TTE Instruction. If the Tender Offer lapses or is terminated in accordance with the terms and conditions set out in this document, all tendered Shares will be returned to the relevant Eligible Shareholders.
- If any Shares permitted to be tendered pursuant to the Tender Offer are tendered, the issued share capital of the Company will be reduced as a result of the Tender Offer (and associated repurchase) and the Company will be smaller. As a result, the funds used to repurchase the Shares acquired by J.P. Morgan Cazenove pursuant to the Tender Offer will no longer be available for application in the ordinary course of the Company's business or to meet contingencies, and the fixed costs of the Company will be spread over fewer Shares.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.
- There can be no guarantee that the investment objective of the Company will be achieved or that any appreciation of the Company's assets will occur.
- The Company's past investment performance is not a reliable indicator of its future investment performance.
- Changes in economic conditions (including, for example, changes in exchange rates, interest rates, rates of inflation, industry conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors could substantially and adversely affect the value of the Company's portfolio and, as a consequence, the Company's investment performance, share price, and prospects.

- Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or alter the post-tax returns of Shareholders. Eligible Shareholders should refer to the information contained in Part 6 of this document in relation to any tax consequences relating to the Tender Offer.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Tender Offer and the Company. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the Tender Offer and/or the Company's business, financial condition or results or prospects.

PART 6

UK TAXATION IN RELATION TO THE TENDER OFFER

The following comments are intended only as a general guide to certain aspects of current UK law and HM Revenue & Customs (“HMRC”) published practice and do not constitute tax advice. They are of a general nature and apply only to Shareholders who, for tax purposes, are resident solely in the UK (except where indicated) and who hold their Shares beneficially as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, persons who are exempt from taxation or persons who acquired their shares by virtue of any office or employment. Shareholders are advised to consult their own independent professional adviser as to the tax consequences of the proposals.

A Shareholder who sells Shares pursuant to the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder had sold them to a third party in the open market. Accordingly, and subject to the comments below, any such Shareholder who is UK resident may, depending on that Shareholder’s personal circumstances, be subject to capital gains tax (or, in the case of a corporate Shareholder, corporation tax on chargeable gains) in respect of any gain arising on such sale.

The general rule is that, for UK tax purposes, chargeable gains and allowable losses fall to be calculated in Sterling. Accordingly, where Shares are acquired and/or disposed of for non-Sterling consideration, a chargeable gain or allowable loss could arise by reference to exchange rate movements. For Shareholders that are companies within the charge to UK corporation tax, the extent to which this general rule applies may depend on what the company’s functional currency is and whether any designated currency election has been made. Shareholders who are in any doubt as to the consequences for them of these rules should seek appropriate professional advice.

Shareholders who are not resident in the UK for taxation purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares unless those Shares are held for the purposes of a trade, profession or vocation carried on by those Shareholders through a UK branch, agency or permanent establishment, although they may be subject to foreign taxation depending on their personal circumstances. Individual Shareholders who are only temporarily not resident in the UK for tax purposes may, depending on their personal circumstances, become liable to capital gains tax under tax anti-avoidance legislation and, therefore, should seek personal tax advice.

The UK tax code contains provisions which permit HMRC to counteract tax advantages arising from certain transactions in securities by (among other things) treating some or all of the proceeds of capital disposals as distributions of income. Generally speaking, however, these provisions should not apply where it can be shown that the transactions in question were entered into for genuine commercial reasons and did not involve as one of their main objects or purposes the obtaining of a tax advantage. Shareholders are advised to take independent advice as to the potential application of these provisions in the light of their own particular motives and circumstances. Application has not been made to HMRC for clearance as to these matters.

Stamp duty or stamp duty reserve tax at the rate of 0.5% of the Tender Price (rounded up to the nearest £5 (five pounds) in the case of stamp duty only) will be payable by the Company on Shares repurchased by it pursuant to the Tender Offer.

The information relating to taxation set out above is a general guide and is not exhaustive. It is based on law and published practice currently in force in the United Kingdom and is subject to changes therein (potentially with retrospective effect). If you are in any doubt as to your taxation position you should consult an appropriate professional adviser without delay.

PART 7

ADDITIONAL INFORMATION

1 REPURCHASE AGREEMENT

- 1.1 The Company and J.P. Morgan Cazenove entered into a repurchase agreement on 19 October 2026 pursuant to which the Company has agreed, subject to the Tender Offer becoming unconditional in all respects and not being postponed or terminated, to purchase from J.P. Morgan Cazenove, on the London Stock Exchange, such number of Shares as J.P. Morgan Cazenove shall purchase pursuant to the Tender Offer, at an aggregate price equal to the amount paid by J.P. Morgan Cazenove for its purchase of the Exit Shares.
- 1.2 In acquiring Shares pursuant to valid tenders made under the Tender Offer and in selling such Shares to the Company, J.P. Morgan Cazenove will act as principal.
- 1.3 The Repurchase Agreement contains representations and warranties from the Company in favour of J.P. Morgan Cazenove and incorporates an indemnity in favour of J.P. Morgan Cazenove in respect of any liability which it or any of its associates may suffer in relation to its performance under the Tender Offer, subject to standard exclusions.
- 1.4 The Repurchase Agreement also contains certain representations, warranties and undertakings from J.P. Morgan Cazenove in favour of the Company which are customary for an agreement of this nature.
- 1.5 The Repurchase Agreement, which is stated not to create a relationship of agency between J.P. Morgan Cazenove and the Company, is governed by and construed in accordance with English law.

2 CONSENT

J.P. Morgan Cazenove, which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the FCA, has given and not withdrawn its written consent to the issue of this document with its letter and with the references to its name in the form and context in which they are included.

PART 8

DEFINITIONS

Available Shares	5,728,371 Shares available to be acquired under the Tender Offer and representing 5% of the Shares in issue (excluding Shares held in treasury) as at the Latest Practicable Date, subject to paragraph 2.3 of Part 4 of this document;
Basic Entitlement	5% of Eligible Shareholders' Shares registered in their name on the Register as at the Tender Record Date;
Benchmark	the MSCI Europe ex-UK SmallCap Index (in Sterling terms);
Biannual Tender Offer Facility	has the meaning given in paragraph 1 of Part 1 of this document;
Business Day	any day other than a Saturday, Sunday or public holiday in the UK on which clearing banks in the UK are open for general banking business;
Calculation Date	27 November 2026;
Companies Act	the Companies Act 2006 (as amended);
Company	Montanaro European Smaller Companies Trust plc, a public limited company incorporated under the laws of Scotland with registered number SC074677;
CREST	the computer-based system and related facilities and procedures operated by Euroclear;
CREST member	a person who has been admitted by Euroclear as a system member (as defined in the Regulations);
CREST participant	a person who has been admitted by Euroclear as a participant (as defined in the Regulations);
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor being a sponsoring system participant (as defined in the Regulations);
CREST sponsored member	a CREST member admitted to CREST as a sponsored Member;
Directors or Board	the directors of the Company, whose names appear in Part 1 of this document;
EEA	the European Economic Area;
Eligible Shareholders	Shareholders (other than Restricted Shareholders and any Sanctions Restricted Persons) on the Register as at the Tender Record Date;
Equiniti	Equiniti Limited;
Euroclear	Euroclear UK & International Limited, being the operator of CREST;
Excess Application	an application made by an Eligible Shareholder tendering more than their Basic Entitlement;

Exchange Act	the United States Securities Exchange Act of 1934, as amended from time to time;
Exit Shares	a Share which has been successfully tendered for purchase pursuant to the terms of the Tender Offer;
FCA	the Financial Conduct Authority of the United Kingdom including any replacement or substitute thereof, and any regulatory body or person succeeding, in whole or in part, to the functions thereof;
FSMA	the Financial Services and Markets Act 2000 (as amended);
Investment Manager or MAM	Montanaro Asset Management Limited;
LargeCap	companies comprising the MSCI Europe (ex UK) LargeCap index (in Sterling terms);
Latest Practicable Date	15 October 2026, being the latest practicable date prior to the publication of this document for the purposes of including certain information;
London Stock Exchange	London Stock Exchange Plc;
NAV or Net Asset Value	the net asset value of the Company determined in accordance with the Company's normal accounting policies;
Overseas Shareholders	Shareholders who are resident in or citizens of, territories outside the UK and the United States and not resident in, or citizens of, any of the Restricted Jurisdictions;
Register	the register of members of the Company;
Registrar or Receiving Agent	Equiniti Limited;
Regulatory Information Service	a service approved by the London Stock Exchange for the distribution to the public of announcements;
Repurchase Agreement	the repurchase agreement dated 19 October 2026 between the Company and J.P. Morgan Cazenove;
Restricted Jurisdiction	any of Australia, Canada, Japan, New Zealand, the Republic of South Africa, any member state of the European Economic Area and any other jurisdiction into which the making of the Tender Offer would constitute a violation of the laws of such jurisdiction;
Restricted Shareholders	Shareholders who are resident in, or citizens of, one of the Restricted Jurisdictions;
Sanctions Authority	each of: (i) the United States government; (ii) the United Nations; (iii) the United Kingdom; (iv) the European Union (or any of its member states);

- (v) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury, the United States Department of State, the United States Department of Commerce and HM Treasury; or
- (vi) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions in any jurisdiction in which the Company carries on business;

Sanctions Restricted Persons

each person or entity:

- (i) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or
- (ii) that is, or is directly or indirectly owned or controlled by, or acting on behalf or at the discretion of, a person that is described or designated in (a) the current “Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at: <https://sanctionslist.ofac.treas.gov/Home/SdnList>; and/or (b) the current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?local=en>); or the current “Consolidated List of financial sanctions targets in the UK” (which as of the date hereof can be found at: <https://www.gov.uk/government/publications/the-uk-sanctions-list>); or
- (iii) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion of any of the following lists and are not captured in (ii) above: (a) the current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf> (the SSI List)), (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the EU Annexes), or (c) Schedule 2 of The Russian (Sanctions) (EU Exit) Regulations 2019;

Shareholders

holders of Shares;

Shares

ordinary shares of nominal value £0.05 each in the capital of the Company;

SmallCap

companies comprising the Benchmark;

Sterling

the lawful currency of the United Kingdom;

Tender Closing Date

13:00 hours on 18 November 2026 being the final date on which the Tender Form may be received or, if applicable, TTE Instructions submitted and the date on which the Tender Offer closes to Eligible Shareholders;

Tender Form	the tender form accompanying this document for use by Eligible Shareholders who hold their Shares in certificated form in connection with the Tender Offer;
Tender Offer	the invitation by J.P. Morgan Cazenove to Eligible Shareholders to tender Shares on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, the Tender Form;
Tender Price	the price at which Shares will be purchased pursuant to the Tender Offer as determined in accordance with the terms and conditions of the Tender Offer and as set out in Part 3 of this document;
Tender Record Date	18:00 hours on 18 November 2026;
TFE Instruction	a transfer from escrow instruction;
TTE Instruction	a transfer to escrow instruction;
UK	the United Kingdom of Great Britain and Northern Ireland;
UK Listing Rules	the listing rules of the FCA;
US Shareholder	Shareholders who are located in the United States.