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This document comprises a prospectus (the “**Prospectus**”) relating to Aberforth Geared Value & Income Trust plc (the “**Company**”) and has been prepared in accordance with the UK Prospectus Regulation and the Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”). This Prospectus has been approved by the FCA, as the competent authority under the UK Prospectus Regulation, and the FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Accordingly, such approval should not be considered as an endorsement of the Company that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares and/or ZDP Shares as appropriate. This Prospectus will be made available to the public in accordance with the Prospectus Regulation Rules by being made available at <https://aberforth.co.uk/trusts-and-funds/aberforth-geared-value-income-trust-plc>.

The Directors of the Company, whose names appear on page 40 of this Prospectus, and the Company each accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Prospective investors should read the entire Prospectus and, in particular, the section headed “Risk Factors” on pages 13 to 25 of this Prospectus when considering an investment in the Company.

ABERFORTH GEARED VALUE & INCOME TRUST PLC

*(A company incorporated in England and Wales with registered number 15602886
and registered as an investment company under section 833 of the Companies Act 2006)*

ISSUE

**of Ordinary Shares of one penny each and ZDP Shares of
one penny each in connection with the recommended proposals
for the reconstruction and members’ voluntary winding up of**

ABERFORTH SPLIT LEVEL INCOME TRUST PLC

AND

PLACING AND OFFER FOR SUBSCRIPTION

of Ordinary Shares of one penny each and ZDP Shares of one penny each

Investment Manager

ABERFORTH PARTNERS LLP

Sponsor and Placing Agent

J.P. MORGAN CAZENOVE

Applications will be made to: (i) the FCA for the Ordinary Shares to be admitted to the premium listing segment of the Official List and for the ZDP Shares to be admitted to the standard listing segment of the Official List; and (ii) the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange’s Main Market. It is expected that Admission will become effective, and dealings in the Ordinary Shares and ZDP Shares will commence, at 8.00 a.m. on 1 July 2024. No application has been made or is currently intended to be made for the Ordinary Shares and/or ZDP Shares to be admitted to listing or trading on any other stock exchange.

The Offer for Subscription will remain open until 11.00 a.m. on 21 June 2024 and the Placing will remain open until 4.00 p.m. on 21 June 2024. Persons wishing to participate in the Offer for Subscription should complete the Application Form set out in Appendix 1 to this Prospectus and the Tax Residency Self-Certification Form set out in Appendix 2 to this Prospectus (unless you are paying for your subscription through CREST on a Delivery versus Payment (“DvP”) basis as no Tax Residency Self-Certification Form will be required to accompany an Application Form duly completed by DvP CREST investors). To be valid, Application Forms and Tax Residency Self-Certification Forms (except for DvP CREST investors) must be completed and returned with the appropriate remittance by post to the Receiving Agent so as to be received no later than 11.00 a.m. on 21 June 2024.

J.P. Morgan Securities plc (which carries on its UK investment banking activities as J.P. Morgan Cazenove) (“**J.P. Morgan Cazenove**”) is acting as the Sponsor and Placing Agent to the Company. J.P. Morgan Cazenove is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the FCA and the PRA. J.P. Morgan Cazenove is acting exclusively for the Company and for no-one else in connection with Admission, the Issues, the Scheme and the other arrangements referred to in this Prospectus, will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission, the Issues, the Scheme and the other arrangements referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of J.P. Morgan Cazenove or its respective affiliates, nor for providing advice in connection with Admission, the Issues, the Scheme and the other arrangements referred to in this Prospectus. This does not exclude any responsibilities that J.P. Morgan Cazenove may have under 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 FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, J.P. Morgan Cazenove nor any person affiliated with J.P. Morgan Cazenove accepts any responsibility whatsoever and makes no representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness or verification, or for any other statement made or purported to be made by them, or on their behalf, the Company or any other person in connection with the Company, the Shares, Admission, the Issues, the Scheme or any transaction of arrangement referred to in this Prospectus and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. J.P. Morgan Cazenove (and its respective affiliates) does not assume any responsibility for the accuracy, completeness or verification of this Prospectus or for any other statement made or purported to be made by them, or on their behalf, the Company or any other person in connection with the Company, the Shares, Admission, the Issues, the Scheme or any transaction of arrangement referred to in this Prospectus and accordingly disclaims to the fullest extent permitted by law all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it or they might otherwise be found to have in respect of this Prospectus or any such statement.

J.P. Morgan Cazenove and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory services and other services to, the Company and/or the Investment Manager for which they would have received customary fees. J.P. Morgan Cazenove and its affiliates may provide such services to the Company and/or the Investment Manager and any of their respective affiliates in the future.

J.P. Morgan Cazenove and its affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, J. P. Morgan Cazenove and its affiliates may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements in connection with which J. P. Morgan Cazenove and its affiliates may from time to time acquire, hold or dispose of shareholdings in the Company.

The Investment Manager accepts responsibility for the information and opinions contained in this Prospectus relating to it and all statements made by it. To the best of the knowledge of the Investment Manager, the information contained in this Prospectus related or attributed to the Investment Manager and its affiliates is in accordance with the facts and such parts of this Prospectus make no omission likely to affect their import. In particular, the Investment Manager accepts responsibility for the information contained in the sections entitled “Risk Factors”, Part 1 (*Investment Highlights*), Part 2 (*Aberforth Geared Value & Income Trust plc*), Part 3 (*Investment Opportunity and Outlook*) and Part 5 (*The Assumptions*) of this Prospectus which are attributed to the Investment Manager.

Prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the Investment Manager or J.P. Morgan Cazenove. Without prejudice to the Company’s obligations under the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, the UK Prospectus Regulation and UK MAR, neither the delivery of this Prospectus nor any subscription for or purchase of Ordinary Shares and ZDP Shares

pursuant to the Issues under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus.

The contents of this Prospectus are not to be construed as legal, financial, business, investment or tax advice. Prospective investors should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Prospective investors must inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, the Investment Manager or J.P. Morgan Cazenove nor any of their respective representatives is making any representation to any offeree or purchaser of Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities by any person in any circumstances or jurisdiction in which such offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or J.P. Morgan Cazenove.

The distribution of this Prospectus and the offer of the Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been taken, nor will any action be taken, by the Company or J.P. Morgan Cazenove that would permit an offer of the Shares or possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the Shares) in any jurisdiction where action for that purpose is or may be required, or where doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus (or any other offering materials or publicity relating to the Shares) comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of the Company, the Investment Manager, J.P. Morgan Cazenove or any of their respective affiliates or advisers, accepts any legal responsibility to any person, whether or not a prospective investor, for any such restrictions.

In particular, the Shares described in this Prospectus have not been, and will not be, registered under the securities laws of any of Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA Member State, or their respective territories or possessions. Accordingly, the Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand or the Republic of South Africa or any EEA Member State, or their respective territories or possessions. Persons resident in territories other than the UK should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose of the Shares.

The Shares to be issued pursuant to the Offer Issue are being offered or sold only outside the United States in "offshore transactions" to non-US Persons pursuant to Regulation S under the US Securities Act. The Shares to be issued pursuant to the Scheme Issue are being offered or sold only: (i) outside the United States in "offshore transactions" to non-US Persons pursuant to Regulation S under the US Securities Act, and (ii) to persons that are both "qualified institutional buyers", or "QIBs", as defined in Rule 144A under the US Securities Act and "qualified purchasers" as defined in the US Investment Company Act ("**Qualified Purchasers**"), pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter, which can be requested from Link Group by email to operationalsupportteam@linkgroup.co.uk, and returned such letter to Link Group at the same address.

In addition, the Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "**US Investment Company Act**"), and investors in the Shares will not be entitled to the benefits of the US Investment Company Act. The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, any "U.S. persons" as defined in Regulation S under the US Securities Act ("**US Persons**"), except pursuant to an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not result in the Company being required to register under the US

Investment Company Act. There has not been and there will not be any public offer of the Shares in the United States.

This Prospectus does not address the US federal income tax considerations applicable to an investment in the Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequences of any such investment.

Neither the US Securities and Exchange Commission (the “SEC”) nor any securities regulatory authority of any state or other jurisdiction of the United States has approved or disapproved of the Shares or passed upon or endorsed the merits of the offering of the Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Shares are also subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

Copies of this Prospectus will be available on the Company’s website (<https://aberforth.co.uk/trusts-and-funds/aberforth-geared-value-incometrust-plc>) and the National Storage Mechanism of the FCA at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>.

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

28 May 2024

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SUMMARY

INTRODUCTION AND WARNINGS

1. INTRODUCTION

This Prospectus relates to the issue of ordinary shares of one penny each (the “**Ordinary Shares**”) and zero dividend preference shares of one penny each (the “**ZDP Shares**”, and together with the Ordinary Shares, the “**Shares**”) in the capital of Aberforth Geared Value & Income Trust plc (“the **Company**”), in connection with: (i) a scheme of reconstruction and members’ voluntary winding up of Aberforth Split Level Income Trust plc (“**ASLIT**”) under the Insolvency Act (the “**Scheme**”); and (ii) the Placing and Offer for Subscription. The Company is a public company limited by shares incorporated in England and Wales with registered number 15602886 and has its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS. The ISIN for the Ordinary Shares to be issued pursuant to the Issues is GB00BPJMQ253 and the SEDOL is BPJMQ25. The ISIN for the ZDP Shares to be issued pursuant to the Issues is GB00BPJMQ360 and the SEDOL is BPJMQ36. The LEI of the Company is 2138006A8FCYYWSJKE32.

The Company can be contacted by writing to its registered office, Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS or by calling, within business hours, +44 0131 220 0733.

This Prospectus was approved by the Financial Conduct Authority (the “**FCA**”) in the United Kingdom on 28 May 2024. The head office of the FCA is at 12 Endeavour Square, London E20 1JN (Tel: 020 7066 1000). Contact information for the FCA can be found at <https://www.fca.org.uk/contact>.

Warning

The following summary should be read as an introduction to this Prospectus. Any decision to invest in the Shares should be based on a consideration of this Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the securities.

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

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

The Company is a public company limited by shares incorporated in England and Wales under the Companies Act on 29 March 2024 and is domiciled in the United Kingdom. The Company is registered as an investment company under section 833 of the Companies Act. The principal legislation under which the Company operates is the Companies Act and regulations made thereunder. The Company’s LEI is 2138006A8FCYYWSJKE32.

The Articles do not provide for any objects of the Company and accordingly the Company’s objects are unrestricted. The Company’s investment objective is to provide Ordinary Shareholders with high total returns incorporating an attractive level of income, and to provide ZDP Shareholders with a pre-determined Final Capital Entitlement of 160.58 pence on the planned winding up of the Company expected to occur on 30 June 2031 (the “**Planned Winding Up Date**”). The Company’s principal activity is to invest in a diversified portfolio of securities issued by small UK quoted companies. Small UK quoted companies are those having a market capitalisation, at time of purchase, equal to or lower than the largest company in the bottom 10 per cent. by market capitalisation, of the London Stock Exchange’s Main Market or companies in the Deutsche Numis Smaller Companies Index (Excluding Investment Companies) (DNSCI (**XIC**)).

As at the date of this Prospectus, insofar as is known to the Company, there are no parties known to have a notifiable interest under English law in the Company’s capital or voting rights. Pending the allotment of Shares pursuant to the Issues, one Ordinary Share and 50,000 Redeemable Preference Shares (which will be redeemed immediately following Admission out of the proceeds of the Issues) have been issued to the subscriber to the Company’s memorandum of association.

The Company has a fixed life of seven years.

The Directors of the Company are as follows:

- Angus Gordon Lennox (*Chair*);

- Graeme Bissett;
- Lesley Jackson; and
- Jane Tufnell

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

The Company has appointed Aberforth Partners LLP (the “**Investment Manager**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company.

The Company is in the process of appointing its statutory auditor and expects to appoint its preferred firm, Johnston Carmichael LLP of 7-11 Melville Street, Edinburgh EH3 7PE, shortly following Admission.

What is the key financial information regarding the issuer?

The Company has not commenced operations since its incorporation on 29 March 2024 and no financial statements of the Company have been made up as at the date of this Prospectus.

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

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

- **Investment policy/performance risk (a portfolio management risk)** There is no guarantee that the Company’s investment objective will be achieved or provide the returns sought by the Company. The Company’s investment policy and strategy will expose the portfolio to share price movements. Price movements of the Company’s underlying investments could be volatile and are affected by a wide variety of factors including changing supply and demand relationships, corporate mergers and acquisition activity, and capital raisings. The performance of the investment portfolio will also be influenced by stock selection, liquidity and market risk. Small UK quoted company securities may be less liquid and traded at lower volumes. A significant fall in investment income could affect the financial performance of the Company and may lead to an impact on the ability to provide an attractive level of income.
- **Market risk (a portfolio management risk)** General economic, market and political conditions such as interest rates, availability of credit, inflation rates, economic uncertainty or recession, changes in laws and changes in economic or political conditions (including the upcoming elections in the US and the UK) or other factors can substantially and adversely affect the value of the Company’s investments and, accordingly, the Company’s financial condition, performance and prospects with consequential adverse effects on returns to Shareholders and the market value of the Shares.
- **Structural conflicts of interest risk** The different rights and expectations of the holders of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them with the Ordinary Shareholders expected to be interested in both the revenue produced by and the increases in capital value of the Company’s portfolio. The ZDP Shareholders are expected to have little or no interest in the revenue produced by the Company’s portfolio save to the extent that the Company’s operating costs exceed the revenue. However, there can be no guarantee that a balance will be achieved and maintained. The Board will act in a manner that it considers fair, reasonable and equitable to both classes of Shareholder.
- **Third party service provider risk** The ability of the Company to pursue its investment policy successfully depends on the continued service of key personnel of the Investment Manager, and/or the Investment Manager’s ability to recruit individuals of similar experience and calibre. Whilst the Investment Manager seeks to ensure that the principal members of its management teams are suitably incentivised, the retention of key members of those teams cannot be guaranteed. The loss of key personnel and any inability to recruit an appropriate replacement in a timely fashion could have an adverse effect on the future performance of the Portfolio and on the Company’s financial condition, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.
- **Regulatory risk (a regulatory and legal risk)** Breach of regulatory rules could lead to suspension of the Company’s share price listings, financial penalties or a qualified audit report. Breach of section 1158 of the Corporation Tax Act 2010 could lead to the Company losing investment trust status and, as a consequence, any capital gains would be subject to capital gains tax.
- **Cyber risk (a regulatory and legal risk)** A cyber attack on any of the Company’s outsourced providers could have an adverse impact on the financial condition and performance of the Company.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Ordinary Shares

The Ordinary Shares have a nominal value of one penny each and are denominated in Sterling. The ISIN for the Ordinary Shares is GB00BPJMQ253 and the SEDOL is BPJMQ25. The ticker code for the Ordinary Shares is AGVI.

The Shares are being offered under both the Scheme Issue and the Offer Issue at the price of 100 pence per Ordinary Share.

All income earned by the Company will be attributable to the Ordinary Shares. On a winding up of the Company, the Ordinary Shareholders are entitled to any and all undistributed revenue reserves of the Company after the payment of all debts and the satisfaction of all liabilities. The Ordinary Shareholders are also entitled to the surplus assets of the Company on a winding-up, after all liabilities of the Company have been settled and the Final Capital Entitlement of the ZDP Shares have been met.

ZDP Shares

The ZDP Shares have a nominal value of one penny each and are denominated in Sterling. The ISIN for the ZDP Shares is GB00BPJMQ360 and the SEDOL is BPJMQ36. The ticker code for the ZDP Shares is AGZI.

The ZDP Shares are being offered under both the Scheme Issue and the Offer Issue at the price of 100 pence per ZDP Share.

The ZDP Shares have a Final Capital Entitlement of 160.58 pence per ZDP Share on the winding up of the Company on the Planned Winding Up Date.

On a winding up of the Company, the ZDP Shareholders are entitled to an amount equal to 100 pence per ZDP Share as increased each day over the period from Admission up to and including 30 June 2031 at the daily compound rate which results in a Final Capital Entitlement of 160.58 pence on the Planned Winding Up Date after the payment of all debts and the satisfaction of all liabilities.

The maximum that the Company intends to raise under the Issues is £222 million.

Issued share capital

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

	Aggregate nominal value	Number
Redeemable Preference Shares	£50,000.00	50,000
Ordinary Share	£0.01	1

The Ordinary Share in issue is fully paid up. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under section 761 of the Companies Act, on 25 April 2024, 50,000 redeemable preference shares of £1.00 each in the capital of the Company (the “**Redeemable Preference Shares**”) were allotted to Scott Wallace, a partner with Aberforth Partners and the subscriber to the Company’s memorandum of association. The Redeemable Preference Shares are fully paid up and will be redeemed following Admission.

Rights attaching to the Ordinary Shares

Rights as regards dividends: All net income earned by the Company is attributable to the Ordinary Shares. Ordinary Shareholders shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares that they hold.

Rights as regards capital: Ordinary Shareholders are entitled to any undistributed revenue reserves of the Company and all of the Company’s remaining net assets at the Planned Winding Up Date after providing for payment in full of the Final Capital Entitlement of 160.58 pence per ZDP Share.

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

Restrictions on the free transferability of the Ordinary Shares

There are no restrictions on the transferability of the Ordinary Shares, subject to compliance with applicable securities laws and the Articles (see paragraph 12.16 of Part 9 in this Prospectus).

Rights attaching to the ZDP Shares

Rights as regards dividends: The ZDP Shares do not carry any rights to receive dividend payments from the Company.

Rights as regards capital: The ZDP Shares have a Final Capital Entitlement of 160.58 pence per ZDP Share on the winding up of the Company on the Planned Winding Up Date.

Rights as regards voting: The ZDP Shares do not normally carry the right to vote at general meetings of the Company. However, the ZDP Shareholders will have the right to vote in certain limited circumstances and their separate approval as a class will be required for certain proposals which would be likely to affect their position materially.

Restrictions on the free transferability of the ZDP Shares

There are no restrictions on the transferability of the ZDP Shares, subject to compliance with applicable securities laws and the Articles (see paragraph 12.16 of Part 9 in this Prospectus).

Dividend policy

The Company's dividend policy is to distribute a significant proportion of its net revenue (after payment of expenses and taxation) in the form of dividends paid in Sterling to Ordinary Shareholders. As an investment trust the Company must not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income for such accounting period. Ordinary Shareholders are entitled to receive all such dividends. The holders of the ZDP Shares are not entitled to receive dividend payments.

The Directors anticipate that, on the basis of the Assumptions and in the absence of unforeseen circumstances, the Company will target total dividends in the range of 4.0 and 5.0 pence per Ordinary Share, in respect of the period from Admission to 30 June 2025. Payment in respect of these dividends is expected to be made by the Company to Ordinary Shareholders in March and in August 2025.

Thereafter, the level of dividends will be based on dividends paid by the investee companies in the Company's underlying portfolio. The Company's dividends are expected to be paid half-yearly normally in March and August in respect of each financial year. There are no assurances that such future dividends will be paid or that the Company will pay any dividends.

Where will the securities be traded?

Applications will be made to: (i) the FCA for the Ordinary Shares in issue and to be issued in connection with the Issues to be admitted to the premium listing segment of the Official List and for the ZDP Shares to be issued in connection with the Issues to be admitted to the standard listing segment of the Official List; and (ii) the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's Main Market. No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange.

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

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

- The price of shares in an investment company is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The share price can therefore fluctuate and may represent a discount to the Net Asset Value per Share and Shareholders may be unable to realise all or any of their investment through the secondary market at Net Asset Value per Share or at all.
- The Company will only pay dividends to holders of Ordinary Shares to the extent that it has distributable profits available for that purpose and any income derived from Ordinary Shares may go down as well as up.
- The Ordinary Shares are geared by the ZDP Shares. The different rights and expectations of the holdings of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them. A positive Net Asset Value for the Ordinary Shareholders will be dependent upon the Company's assets being sufficient to meet the prior entitlements to capital of the holders of ZDP Shares. The Ordinary Shares should therefore be regarded as carrying above average risk.
- The Ordinary Shares rank for repayment of capital after any creditors of the Company from time to time and the ZDP Shares. Based on the Assumptions, the Issue Price of the Ordinary Shares (being 100 pence per Ordinary Share) would only be repaid in full on the Planned Winding Up Date if the annual rate of growth in the capital value of the Company's portfolio is not less than 3.0 per cent. over the Planned Life of the Company.
- The ZDP Shares rank in priority to the capital entitlements of the Ordinary Shares but behind creditors of the Company. ZDP Shares have no entitlement to income. Ordinary Shareholders are entitled to all the net

revenue profits of the Company on a winding up in priority to the capital entitlements of the ZDP Shareholders even in circumstances where the Company has insufficient assets to pay, in full, the capital entitlements of the ZDP Shares.

- The market value of the ZDP Shares will be affected by changes in the general interest rates, with upward movements in interest rates likely to lead to reductions in the market value of the ZDP Shares. There can be no assurance that the Final Capital Entitlement of 160.58 pence per ZDP Share will be paid in full on the Planned Winding Up Date.
- Where the underlying capital value of the Company's portfolio falls at a rate of more than 10.3 per cent. per annum over the Planned Life of the Company, based on the Assumptions, the ZDP Shareholders will receive less than 160.58 pence per ZDP Share on the Planned Winding Up Date. ZDP Shares are not a protected or guaranteed investment.
- Although the Shares will be listed on the Official List and admitted to trading on the London Stock Exchange's Main Market, there may not be a liquid market in the Shares and Shareholders may have difficulty selling them.

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

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

General terms and conditions and timetable of the Issues

The total number of Shares allotted under the Offer Issue will be determined by the Company, J.P. Morgan Cazenove and the Investment Manager after taking into account demand for the Shares, the prevailing economic and market conditions and the pipeline.

The Offer for Subscription will remain open until 11.00 a.m. on 21 June 2024 and the Placing will remain open until 4.00 p.m. on 21 June 2024. If the Offer Issue is extended, the revised timetable will be notified through a Regulatory Information Service announcement.

The Shares being issued pursuant to the Scheme Issue are only available to ASLIT Shareholders pursuant to the terms of the Scheme.

The Offer Issue is conditional upon:

- the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings, and the ASLIT Scheme becoming unconditional;
- the Admission Condition being satisfied by 28 June 2024 (and Admission occurring on 1 July 2024 or such later date not being later than 31 July 2024 as the Company, J.P. Morgan Cazenove and the Investment Manager may agree);
- the Minimum Share Subscription Amount being received by the Company pursuant to the Scheme and/or the Placing and Offer for Subscription;
- the conditions precedent to the Sponsor and Placing Agreement being satisfied (further details of which are set out in paragraph 14.3 of Part 9 of this Prospectus); and
- neither the ASLIT Directors nor the Directors resolving to abandon the ASLIT Scheme or the Proposals.

The ASLIT Scheme is conditional upon:

- the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings, and the ASLIT Scheme becoming unconditional;
- the Minimum Share Subscription Amount being subscribed pursuant to the Scheme and/or the Placing and Offer for Subscription; and
- the ASLIT Directors not having resolved to abandon the Scheme or exercised their right, not to proceed with the Scheme in the light of ASLIT Shareholders validly exercising their rights to dissent under section 111(2) of the Insolvency Act in respect of more than 5 per cent. of the issued ASLIT Ordinary Shares.

If these conditions are not satisfied by 28 June 2024 or if the Sponsor and Placing Agreement is terminated prior to Admission, no part of the Proposals will become effective and no Shares will be issued.

If the conditions to the Issues are not satisfied by 28 June 2024, the Scheme and the Offer Issue will not proceed, unless such date is extended by mutual agreement between the Company, ASLIT and J.P. Morgan Cazenove, no Shares will be issued to ASLIT Shareholders and any applications made in respect of the Offer Issue will be rejected. In such circumstances, application monies will be returned (at the applicants' sole risk) without payment of interest, as soon as practicable thereafter.

Details of admission to trading on a regulated market

Applications will be made for the Ordinary Shares and the ZDP Shares to be issued pursuant to the Issues to be admitted to listing on the premium segment and the standard segment of the Official List respectively and to trading on the premium segment of the London Stock Exchange's Main Market. It is expected that Admission will become effective and dealings in the Ordinary Shares and the ZDP Shares will commence at 8.00 a.m. on 1 July 2024.

Plan for distribution

The Company is proposing to issue up to 161.5 million Ordinary Shares (less such number of Ordinary Shares as are issued under the ASLIT Scheme) and up to 60.5 million ZDP Shares (less such number of ZDP Shares as are issued under the ASLIT Scheme) under the Placing and Offer for Subscription to finance the acquisition of all or part of the Remaining ASLIT Portfolio.

The Company will notify investors of the number of Ordinary Shares and/or ZDP Shares to be issued pursuant to the Issues in respect of which their application has been successful. The results of the Issues will be announced by the Company through a Regulatory Information Service announcement. There will be no conditional dealings in the Ordinary Shares and ZDP Shares being issued pursuant to the Issues before Admission.

Dilution

No dilution will result from the Issues. One Ordinary Share is held by the subscriber to the Company's memorandum of association for the purposes of incorporating the Company.

Expenses

On the basis of the Assumptions if gross proceeds of £100 million are raised pursuant to the Scheme Issue, the estimated costs and expenses of, and incidental to, the formation of the Company and the Issues (including the costs relating to the publication of this document, rollover commissions and stamp duty) to be met by the Company are approximately £1.1 million (taking into account the Aberforth Cost Contribution). If the Minimum Subscription Amount of £75 million is raised under the Issues the estimated costs and expenses of, and incidental to, the formation of the Company and the Issues (including the costs relating to the publication of this document, rollover commissions and stamp duty) to be met by the Company are approximately £0.9 million.

The Company will not charge investors any separate costs or expenses in connection with the Issues.

Why is this Prospectus being produced?

Reasons for the Issues and Admission

If the Proposals are implemented, the Company will issue Ordinary Shares and ZDP Shares to those ASLIT Shareholders who elect (or who are deemed to elect) for the Rollover Option under the terms of the ASLIT Scheme (subject to any scaling back as appropriate). In exchange for such issue of Shares, ASLIT will transfer the ASLIT Rollover Portfolio to the Company. The Company is also proposing to issue Ordinary Shares and ZDP Shares under the Placing and Offer for Subscription in order to finance its intended acquisition of all or part of the Remaining ASLIT Portfolio.

The reason for the Issues is therefore to enable the Company to act as a rollover option for the existing shareholders in ASLIT and provide an attractive investment opportunity for potential new investors. The net proceeds of the Issues will be used to acquire the ASLIT Rollover Portfolio and all or part of the Remaining ASLIT Portfolio.

On Admission it is expected that 65 securities, amounting to 98.25 per cent. of the value of the Company's portfolio (on the basis of the Assumptions), will meet the definition of small UK quoted companies (and therefore fall within the Company's investment policy) and will be acquired from ASLIT as part of its Scheme. It is expected that one holding will have a market capitalisation above that of the companies in the Deutsche Numis Smaller Companies Index (Excluding Investment Companies) (and therefore fall outside the definition of small UK quoted company). The Board, together with the Investment Managers, believes that this holding should be transferred as part of the Scheme to the Company and retained by the Company for the time being. In accordance with the Company's investment policy, no more than 15 per cent. of investments will be held in companies which do not meet the definition of small UK quoted companies and therefore the Company is permitted to acquire this investment.

Therefore, on the basis of the Assumptions, from its launch the Company will be substantially invested, in small UK quoted companies, without having to incur significant dealing costs or suffering a delay in the proceeds of the Issues being invested. The Company will also hold cash and other assets which are in accordance with the Company's investment policy.

It is not intended that the Company will be larger than ASLIT. The Company is not seeking to raise new capital under the Placing and Offer for Subscription in excess of the amount which, when taken with the Scheme Issue would result in the Company being larger than ASLIT as at 30 April 2024 when it had total assets of £222 million.

Estimated net proceeds

On the basis of the Assumptions, the costs and expenses of, and incidental to, the formation of the Company and the Issues (including the costs relating to the publication of this document, placing commissions and stamp duty) to be met by the Company are estimated to be approximately £1.1 million (taking into account the Aberforth Cost Contribution). Therefore, on the basis of the Assumptions if gross proceeds of £100 million are raised pursuant to the Scheme Issue, the estimated net proceeds will be approximately £98.9 million. If the Minimum Subscription Amount of £75 million is raised under the Issues, such costs and expenses are approximately £0.9 million and, as a result, the Minimum Net Proceeds will be approximately £74.1 million.

Underwriting

The Issues are not being underwritten.

Conflicts of interest

Investment Manager's conflicts of interest

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

The Investment Manager is responsible for calculating the Net Asset Value of the Company and also for calculating its investment management fees, payable under the Investment Management Agreement which are based on the value of the Total Assets of the Company. Therefore the higher the value of the Company, the higher the Investment Manager's fees. The Investment Manager and the Board have put in place processes and controls to oversee and monitor the accuracy of the calculations.

The Investment Manager also has internal checks in place in relation to the valuation and investment management fee calculations. This includes segregation of duties and a review of the fees by an experienced member of staff. Provisions in place to manage this conflict include an independent review of the internal control framework, including the calculation of a sample of management fees, carried out annually by an Independent Service Auditor and reported to the Board and the Audit Committee. In addition, the Company's external Auditor will independently recalculate the management fees as part of the annual audit of the Company's annual report and financial statements and report its findings to the Audit Committee. The Audit Committee will review the reports from the Auditor and the Company's internal control framework.

In the light of the Company's investment policy, its portfolio will consist principally of small UK quoted companies. As part of the Company's valuation policy quoted investments will be valued at their fair value, represented by the bid price sourced by the Investment Manager from an external, independent pricing vendor and checked against an alternative external independent pricing source. There is, therefore, very limited subjective valuation of the Company's listed portfolio.

Structural conflicts of interest

The different rights and expectations of the holders of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them with the Ordinary Shareholders expected to be interested in both the revenue produced by and the increases in capital value of the Company's portfolio. However the ZDP Shareholders are expected to have little or no interest in the revenue produced by the Company's portfolio save to the extent that the Company's operating costs exceed the revenue.

The Company's investment objective, policy and strategy seek to strike a balance between the interests of the Ordinary Shareholders in maximising growth in capital and dividends and the interests of the ZDP Shareholders in meeting their pre-determined final capital entitlements with an appropriate level of risk. However, there can be no guarantee that such a balance will be achieved and maintained. The Board will act in a manner that it considers fair, reasonable and equitable to both classes of Shareholder.

RISK FACTORS

An investment in the Company should not be regarded as short-term in nature and involves risks that could lead to the loss of all or part of that investment. An investment in the Company is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment. The Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment. Prospective investors should consider carefully all of the information set out in this Prospectus, including the risks described below, as well as their own personal circumstances, before deciding to invest in the Company.

The risk factors referred to below are the risks that are considered by the Directors and the Investment Manager to be material as at the date of this document but are not the only risks relating to the Company or the Shares. Additional risks and uncertainties relating to the Company or the Shares that are not currently known to the Investment Manager or the Directors or that the Investment Manager or the Directors do not currently consider to be material may also have a material adverse effect on the Company's financial condition, business, prospects and results of operations and, consequently, the Company's Net Asset Value and/or the market price of the Shares. Further, as required by the UK Prospectus Regulation, the risks that the Directors and the Investment Manager consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence have been set out first. Given the forward-looking nature of the risks, there can be no guarantee that such risk is, in fact, the most material or the most likely to occur. Prospective investors should, therefore, review and consider each risk.

Prospective investors should note that the risks relating to the Company, its investment strategy and operations and the Ordinary Shares and the ZDP Shares summarised in the section of this Prospectus headed "Summary" are the risks that the Investment Manager and Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares and/or the ZDP Shares. However, as the risks that the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of the document headed "Summary" but also, among other things, the risks and uncertainties described below.

The Directors and the Investment Manager believe that the risks described below are the material risks relating to the Ordinary Shares and the ZDP Shares as at the date of this Prospectus. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this document, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares and/or the ZDP Shares.

Potential investors should review this Prospectus carefully and in its entirety and consult with their stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser before acquiring any Shares.

RISKS RELATING TO THE COMPANY AND OPERATIONS

The Company's lack of operating history means investors have no basis on which to evaluate the Company's ability to achieve its investment objective or implement its investment strategy and provide a satisfactory return

The Company is a newly formed company with no operating results, financial statements or current investments. It will not commence operations until it has obtained assets as a result of the Issues. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective or implement its investment strategy and provide a satisfactory return. An investment in the Company is therefore subject to many of the risks and

uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

The Company has no employees and is reliant on the performance of third party service providers

The Company has no employees and the Directors have been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers (and their delegates) for its executive functions. In particular, the AIFM, the Depositary and the Registrar (and their delegates) will each be performing services which are integral to the operation of the Company. Misconduct by employees of those service providers and/or their delegates, any failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, any reputational damage suffered by any service provider and/or the termination of those appointments could have an adverse effect on the investment portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares and therefore could affect the ability of the Company to meet its investment objective.

The Company is subject to the risk of cybersecurity breaches

The information and technology systems of the Company and its service providers (including, in particular, the Investment Manager and the Registrar) and their delegates may be vulnerable to operational, information security and related risks resulting from failures of, or breaches in, cybersecurity, including damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals and power outages.

A failure of, or breach in, cybersecurity (for the purposes of this Risk Factor, "**cyber incidents**") may cause disruption and impact business operations, potentially resulting in financial losses, interference with the ability to calculate the Company's Net Asset Value, impediments to trading, the inability of Shareholders to subscribe for, exchange or sell Shares, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs all of which could materially disrupt the business of the Company and have a material adverse effect on its financial position and prospects.

While the Investment Manager, along with other service providers (and their delegates), has established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures, including the possibility that certain risks have not been identified. Furthermore, none of the Company, the Investment Manager and/or the other service providers (or their delegates) can control the cybersecurity plans, strategies, systems, policies and procedures put in place by the entities in which the Company invests which could, as a result, have a material adverse impact on the returns available to the Company and the Company's financial position.

The different rights and expectations of the holders of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them

Ordinary Shareholders are expected to be interested in both the revenue produced by the Company's portfolio (as this is closely linked to the amount of any dividend the Ordinary Shareholders may receive) and increases in the capital value of the portfolio. ZDP Shareholders are expected to have little or no interest in the revenue produced by the Company's portfolio save to the extent that the Company's operating costs exceed that revenue. The ZDP Shareholders are instead expected to have an interest in the capital value of the portfolio being sufficient to repay the final capital entitlement to the holders of ZDP Shares at the Planned Winding Up Date but can be expected to have little or no interest in any growth in capital significantly in excess of that pre-determined amount.

The Board will seek to strike a balance between the interests of Ordinary Shareholders in maximising capital growth and dividends and ZDP Shareholders in meeting their pre-determined final capital entitlement while utilising an appropriate level of risk consistent with the Company's investment policy

to seek to achieve the investment objective. There can be no guarantee that such a balance will be achieved and maintained during the life of the Company and the failure to achieve such a balance may result in the investment performance of the Company being materially adversely impacted and the Company may not be able to deliver the income and/or capital returns in line with its investment objective.

Under the Articles, the Board is obliged to propose a special resolution that the Company is wound up voluntarily at a general meeting convened by the Company to be held on or within 3 months prior to 30 June 2031

Under the Articles, the Board is obliged to propose a special resolution that the Company be wound up voluntarily at a general meeting convened by the Company to be held on or within 3 months prior to 30 June 2031. If any such resolution is not passed, there is no guarantee that Shareholders would be able to realise their investment in the Company on the Planned Winding Up Date in full or at all.

RISKS RELATING TO THE INVESTMENT OBJECTIVE AND POLICY

There can be no guarantee that the Company will achieve its investment objective or that investors will get back the full value of their investment

The success of the Company is dependent upon the continued ability of the Investment Manager to pursue the Company's investment objective and policy successfully. There can be no assurance that the Investment Manager will continue to be successful in pursuing the Company's investment objective and policy or that the Investment Manager will be able to invest the Company's assets on attractive terms, generate any investment returns for the Company's investors, pay a dividend or avoid investment losses. In addition, the success of the Company will depend on the performance of equity and securities markets in the UK, and on the UK economy more broadly. Macroeconomic and geo-political risk factors such as inflation, energy security, and international conflicts can influence the confidence in global equity markets and investors. If the longer-term performance of the investment portfolio does not deliver income and capital returns in line with the Company's investment objective and/or consistently underperforms market expectations, the Company may become unattractive to investors.

The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with its targets. The existence of the anticipated dividends in the period from Admission to 30 June 2025 should not be considered as an assurance or guarantee that it can or will be met by the Company

The anticipated dividends in the period from Admission to 30 June 2025 set out in this Prospectus is a target only and, for the avoidance of doubt, not a profit forecast. There can be no assurance that the Company will meet this target, or any other level of return, or that the Company will achieve or successfully implement its investment objective and investment policy. The existence of the anticipated minimum dividend should not be considered as an assurance or guarantee that it can or will be met by the Company.

Although the anticipated dividends in the period from Admission to 30 June 2025 are presented as a range in this Prospectus, the actual returns achieved by the Company's investment portfolio may vary and these variations may be material. The anticipated dividend range is based on the Assumptions and the Investment Manager's assessment of appropriate expectations for returns on the investments that the Company proposes to make and the ability of the Investment Manager to enhance the return generated by those investments through project and asset management. There can be no assurance that these assessments, expectations and Assumptions are correct and failure to achieve any or all of them may materially adversely impact the Company's ability to achieve the anticipated dividend range.

In addition, numerous factors, including, without limitation, taxation and fees payable by the Company, could prevent the Company from achieving the anticipated dividend range in the period from Admission to 30 June 2025, even if the individual investments made by the Company were to achieve returns in line with the Company's stated targets.

The anticipated dividend range in the period from Admission to 30 June 2025 is based on estimates and assumptions about a variety of factors including, without limitation, yield and performance of the Company's investments. There can be no assurance that these assumptions will prove to be correct and such assumptions and estimates are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve the anticipated dividend. Furthermore, the anticipated dividend is based on the general and local market conditions and the economic environment at the time of assessing the anticipated dividend, and are therefore subject to change. There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this Prospectus. Accordingly, the actual rate of return achieved may be materially lower than that targeted, or may result in a partial or total loss, which could have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.

The investments of the Company are subject to the risk of changes in market prices and/or macroeconomic factors

The Company is dependent upon the Investment Manager's successful implementation of the Company's investment policy and ultimately on the Investment Manager's ability to create an investment portfolio capable of generating attractive returns. The Company is at risk from the failure of the investment strategy implemented by the Investment Manager resulting from changes in market prices and/or macroeconomic factors. As a result of the geographic scope of the Company's investment policy, the Company is influenced by changes in market practices and/or macroeconomic risks in the UK, and globally.

The performance of the Company's investments depends to a great extent on correct assessments of the future course of market price movements and economic cycles. There can be no assurance that the Investment Manager will be able to predict accurately these price movements or cycles.

General economic and market conditions, such as currency exchange rates, interest rates, availability of credit, inflation rates, economic uncertainty or recession, changes in laws, trade barriers, currency exchange controls and national and international political circumstances may affect the price level, volatility and liquidity of securities and result in losses for the Company. This could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

Other external factors, including those resulting from war (in particular, the current war in Ukraine, geopolitical tensions in the Middle East and any potential future conflicts), tensions between nations, incidents of terrorism, major environmental events, pandemics, or responses to such events (such as COVID-19 policies adopted globally that dampened economic activity and impacted global supply chains) could also have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company invests in smaller companies and may be subject to risks related to their size

The Company will invest in the securities of small UK quoted companies, including (in limited circumstances) companies traded on AIM. Smaller companies can be expected, in comparison to larger companies, to have less mature businesses, a more restricted depth of management and a higher risk profile. Their earnings tend to be less predictable and the prices of their securities more volatile. Investment in small UK quoted companies is generally perceived to carry more risk than investment in large companies. There can be no guarantee that any realisation of an investment will be on a basis that necessarily reflects the valuation of that investment which may, in turn, have a material adverse effect on the financial position of the Company and its return profile.

The portfolio held by the Company will not necessarily mirror the stocks and weightings of, or returns made by, any particular share index. In addition, the value investing style adopted by the Investment Manager may not be in favour during all or part of the life of the Company and this could result in significant divergence from the DNSCI (XIC) which may result in a material adverse effect on the Net Asset Value of the Company and/or the Company not being able to achieve its investment objective.

The review process that the Investment Manager undertakes in evaluating the Company's investments may not reveal all facts that may be relevant in connection with such investments

Before making investments in accordance with the Company's investment policy, the Investment Manager conducts such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. There can be no assurance that due diligence investigations with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating that investment opportunity.

The investments in the Portfolio are also subject to ongoing review by the Investment Manager. There can similarly be no assurance that such ongoing review will reveal or highlight all relevant facts that may be necessary or helpful in evaluating the best course of action to take in respect of individual investments within the Portfolio or the Portfolio as a whole.

Any failure by the Investment Manager to identify relevant facts through the due diligence and ongoing review process may lead to inappropriate investment decisions being made, which could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company's investment strategy may involve the use of leverage, which exposes the Company to risks associated with borrowings

The Company may use borrowings (mostly limited to that of an overdraft facility) to seek to enhance investment returns. The Company also uses structural borrowing as the Ordinary Shares are geared by the ZDP Shares. Whilst the use of borrowings should enhance the total return on the Shares where the return on the Company's underlying assets is positive and exceeds the cost of the borrowings, it will have the opposite effect where the return on the Company's underlying assets is at a lower rate than the cost of the borrowings, reducing the total return on the Shares. As a result, the use of borrowings by the Company may increase the volatility of the NAV per Share and the Company's investments and overall returns are subject to risks arising from higher interest rates associated with higher levels of inflation.

As a result of gearing, any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its NAV (which is likely to adversely affect the price of a Share). Increased debt servicing costs may also impact the Company's ability to maintain and increase its dividend. Any reduction in the number of Shares in issue (for example, as a result of share buy backs) will, in the absence of a corresponding reduction in gearing, result in an increase in the Company's level of gearing.

The Company's investments may be adversely affected by poor performance of a particular sector or industry

The Company's investments are intended to be diversified by sector and industry. However, the Company's returns may still be adversely affected by the unfavourable performance of particular sectors or industries if they affect the performance or prospects of companies in the Portfolio. This adverse effect may be amplified if more companies in the Portfolio are in, or connected to, the affected sector or industry (in other words, if the Portfolio has a greater concentration of investments in any affected sector or industry). This could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company's investments may be adversely affected by the failure of investee companies to comply with applicable environmental, social and governance standards

The Company invests in the securities of trading companies and any failure of these companies to comply with applicable environmental, social and governance factors or engagement by these companies in otherwise unethical practices may adversely impact the performance of such companies and/or result in regulatory fines or sanctions being levied on such companies. This could result in negative investor sentiment towards these companies which may in turn adversely impact the performance and value of an investment in the relevant company. Any such decrease in performance

or value could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

The Company is subject to risks associated with derivative transactions in which it participates

The Company may, on occasion, use derivatives for the purpose of efficient portfolio management (including reducing, transferring or eliminating investment risk in its investments and protection against currency risk). Derivative transactions may be volatile and involve various risks different from, and in certain cases, greater than the risks presented by other instruments. This in turn could materially adversely impact the financial position of the Company and its ability to achieve its investment objective.

RISKS RELATING TO THE INVESTMENT MANAGER

The success of the Company is dependent on the Investment Manager and their expertise, key personnel, and ability to source and advise appropriately on investments

In accordance with the Investment Management Agreement, the Investment Manager is solely responsible for the management of the Company's investments. The Company does not have any employees and its Directors are appointed on a non-executive basis. All of its investment and asset management decisions are in the ordinary course made by the Investment Manager (and their delegates) and not by the Company. The Investment Manager is not required to, and generally does not, submit individual investment decisions for approval to the Board. The Company is therefore reliant upon, and its success depends on, the Investment Manager and their personnel, services and resources.

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

Returns on Shareholders' investments in Shares will depend upon the Investment Manager's ability to source and make successful investments on behalf of the Company in the face of competition from other entities seeking to pursue other investment opportunities identified for the Company. Competition can create significant upward pressure on pricing, thereby reducing the potential investment returns. There is no guarantee that competitive pressures will not have a material adverse effect on the Company's financial position and returns for investors.

Many of the Investment Manager's investment decisions will depend upon the ability of its employees and agents to carry out due diligence and obtain relevant information. There can be no guarantee that such information will be available or that the Investment Manager and its employees and agents will be able to obtain it. The Investment Manager may be required to make investment decisions without complete information, or in reliance upon information provided by third parties that is impossible or impracticable to fully verify. Further, the Investment Manager may not conduct due diligence which is wide enough in scope to reveal the potential risks of a particular investment. There can be no assurance that the Investment Manager will correctly identify and evaluate the nature and magnitude of the various factors that could affect the value of and return on the Company's investments. Any failure by the Investment Manager to perform effective due diligence on potential investments may adversely affect the investment returns expected from a particular investment.

Further, the ability of the Company to pursue its investment policy successfully depends on the continued service of key personnel of the Investment Manager, and/or the Investment Manager's ability to recruit individuals of similar experience and calibre. Whilst the Investment Manager seeks to ensure that the principal members of its management team are suitably incentivised, the retention of key members of that team cannot be guaranteed. There is no guarantee that following the death, disability or departure from the Investment Manager of any key personnel the Investment Manager would be able to recruit a suitable replacement or avoid any delay in doing so. The loss of key personnel and any inability to recruit an appropriate replacement in a timely fashion could have an adverse effect on the future performance of the Portfolio and on the Company's financial condition, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Investment Manager is not required to commit all of its resources to the Company's affairs. Insofar as the Investment Manager devotes resources to its responsibilities to other business interests, its ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's potential to achieve its investment objective, which could have a material adverse effect on the Company's profitability, the Company's NAV per Share and the market price of the Shares.

There can be no assurance that the Board would be able to find a replacement investment manager and/or alternative investment fund manager if Aberforth Partners were to resign or the Investment Management Agreement were to be terminated

Under the terms of the Investment Management Agreement, Aberforth Partners may resign as the Company's alternative investment fund manager and investment manager by giving the Company not less than 6 months' written notice. Further, the Investment Management Agreement may be terminated immediately upon notice by the Investment Manager or by the Company in certain circumstances.

The Board would, in such circumstances, have to find a replacement alternative investment fund manager for the Company. There can be no assurance that a replacement with the necessary skills and experience would be available and could be appointed on terms acceptable to the Company. If the Investment Management Agreement is terminated and a suitable replacement is not secured in a timely manner, this could have an adverse effect on the future performance of the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Investment Manager and its affiliates serve as the alternative investment fund manager, investment manager and/or investment adviser to other clients, including funds and managed accounts that have similar investment objectives and policies to that of the Company, which may on occasion give rise to conflicts of interest with the Company

The Investment Manager and its affiliates serve as the alternative investment fund manager, investment manager and/or investment adviser to other clients, including funds and managed accounts that have similar investment objectives and policies to that of the Company. These investment management services may on occasion give rise to conflicts of interest with the Company and may have a material adverse effect on the Company's business, financial condition, results of operations and the market price of the Shares. For example, the Investment Manager and/or its affiliates may have conflicts of interest in allocating their time and activity between the Company and their other clients, in allocating investments among the Company and their other clients, and in effecting transactions between the Company and other clients, including ones in which the Investment Manager may have a greater financial interest. Furthermore, the Investment Manager may provide services to other clients which may give rise to a conflict of interest. There can be no assurance that the Investment Manager will resolve all conflicts of interest in a manner that is favourable to the Company which may disrupt the Company's investment strategy and have a material adverse effect on the Company's investment portfolio.

Reputational risks, including those arising from litigation against the Investment Manager or the Company, may disrupt the Company's investment strategy and growth

The Company may be exposed to reputational risks, including from time to time the risk that litigation, misconduct, operational failures, negative publicity and press speculation (whether or not valid) may harm the reputation of the Investment Manager or the Company. If the Investment Manager or the Company or any of its Directors is named as a party to litigation or becomes involved in regulatory inquiries, this could cause substantial reputational damage to the Investment Manager and the Company. This may result in potential counterparties, investee companies and other third parties being unwilling to deal with the Investment Manager and/or the Company. Damage to the reputation of the Investment Manager and/or the Company may disrupt the Company's investment strategy, business or potential growth, which could have an adverse effect on the Portfolio and on the Company's financial condition and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

RISKS RELATING TO THE SHARES

Investors may not recover the full amount of their investment in the Shares

The Company's ability to achieve its investment objective and pursue its investment policy successfully may be adversely affected by the manifestation of any of the risks described in this "Risk Factors" section of this Prospectus or other market conditions (or significant changes thereto). The market price of the Shares may significantly fluctuate, particularly in the short term, and potential investors should regard an investment in the Shares as a medium to long-term investment.

As with any investment, the price of the Shares may fall in value. The maximum loss on an investment in the Shares is equal to the value of the initial investment and, where relevant, any gains or subsequent investments made. Investors therefore may not recover the full amount initially invested in the Shares, or any amount at all.

The level of dividend available to Ordinary Shares, and repayment of capital, is not guaranteed and may be adversely affected by the performance of the Company

The Company will only pay dividends to holders of Ordinary Shares to the extent that it has distributable profits available for that purpose. A reduction of income received from the Company's portfolio would adversely affect the yield on the Ordinary Shares particularly where the Company was also unable to make any distributions out of capital.

The Company's capital structure is such that the underlying value of assets attributable to the Ordinary Shares will be geared by the rising capital entitlements of the ZDP Shares. The Ordinary Shares are therefore geared by the ZDP Shares. A positive Net Asset Value for the Ordinary Shareholders will be dependent upon the Company's assets being sufficient to meet those prior entitlements of the holders of ZDP Shares. The Net Asset Value of the Ordinary Shares will be determined by the performance of the Company's portfolio as geared by the capital entitlement of the ZDP Shares. The Ordinary Shares should therefore be regarded as carrying above average risk.

The Ordinary Shares rank for repayment of capital after the ZDP Shares and any creditors of the Company from time to time.

The Ordinary Shareholders will be entitled to all the net revenue of the Company (after fees, expenses and taxation) resolved by the Directors to be distributed and to all accumulated but undistributed revenue reserves. Ordinary Shareholders will benefit from any out-performance and will suffer any under-performance in respect of the Company's portfolio. Any change in the tax treatment of dividends paid or income received by the Company may reduce the dividends paid to the holders of the Ordinary Shares.

The Company has a planned life lasting until 30 June 2031 and, unless the Directors are released from their obligation to do so, a general meeting will be convened to wind up the Company not later than the Planned Winding Up Date. In the event of the winding up of the Company, the amount of the payments available for distribution to Shareholders will depend on the value of the Company's portfolio of investments at such time. The amount of the payments made to Shareholders may be lower than expected, particularly if market conditions are adverse at such time.

Assuming that, following the Issues, the winding up of the Company occurred on the Planned Winding Up Date and on the basis of the Assumptions, the Issue Price of an Ordinary Share would only be repaid in full if the rate of capital growth in value of the Company's portfolio had been not less than 3.0 per cent. per annum compounded over the Planned Life of the Company. There would be no capital repayment per Ordinary Share if the underlying capital value of the Company's portfolio fell by 10.3 per cent. or more per annum compounded over the Planned Life of the Company.

Ordinary Shares are only an appropriate investment for potential investors who understand that, on a winding up of the Company, they may receive an amount less than the price paid for their Ordinary Shares and that, if there is an insufficient growth in the Company's portfolio, they may receive no distribution on a winding up of the Company.

The level of capital return provided to holders of ZDP Shares may be adversely affected by falling of the capital value of the Company

The market value of the ZDP Shares will be affected by changes in general interest rates, with upward movements in interest rates likely to lead to reductions in the market value of the ZDP Shares. Given the current interest rate environment and the Gross Redemption Yield of 7.0 per cent. on the ZDP Shares (at the Issue Price), any material changes in interest rates could have a significant effect on the price of a ZDP Share and therefore in such circumstances there could be increased volatility in the market value of a ZDP Share.

The ZDP Shares are designed to provide a pre-determined level of capital return ranking in priority to the Ordinary Shares. ZDP Shareholders will have no entitlement to income and the whole of their return will take the form of capital.

The holders of Ordinary Shares are entitled to all the net revenue profits (including accumulated but undistributed revenue reserves) of the Company on a winding up (or an equivalent capital amount (after payment of the Company's liabilities) in the event that the Company is not entitled to pay dividends) in priority to the capital entitlement of the holders of ZDP Shares even in circumstances where the Company has insufficient assets to pay the final capital entitlement of the ZDP Shares on the Planned Winding Up Date in full. Accordingly, assets equivalent to that amount will not be available to holders of ZDP Shares and the Company may continue to pay dividends in circumstances where the ZDP Shares are uncovered or where the holders of ZDP Shares have little or no prospect of receiving their final capital entitlements.

Should the Company be wound up prior to the Planned Winding Up Date, holders of ZDP Shares may only receive their accrued entitlements to the date of winding up. This would be less than the final capital entitlement.

The ZDP Shares, whilst ranking for payment in priority to the Ordinary Shares, rank behind any creditors of the Company for the Final Capital Entitlement of 160.58 pence per ZDP Share on 30 June 2031. In addition, on the basis of the Assumptions, if the capital value of the Company's portfolio falls by more than 10.3 per cent. per annum over the Planned Life of the Company, the ZDP Shareholders will receive less than 160.58 pence per ZDP Share on the Planned Winding Up Date.

On the basis of the Assumptions, if the capital value of the Company's portfolio falls by 50.2 per cent. or more per annum over the Planned Life of the Company, the ZDP Shareholders will receive nothing in respect of their ZDP Shares on the Planned Winding Up Date. ZDP Shares are not a protected or guaranteed investment. There can be no assurance that the Final Capital Entitlement of 160.58 pence per ZDP Share will be repaid in full on the Planned Winding Up Date.

The market price of a Share may not fully reflect its underlying Net Asset Value and the investment portfolio. Prospective investors should note that the price of the Shares may go down as well as up and that the share price can fall when the Net Asset Value per Share rises, or vice versa

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

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

Admission should not be taken as implying that there will be an active and liquid market for the Shares. Limited liquidity in the Shares may affect: (i) an investor's ability to realise some or all of its/their investment; and/or (ii) the price at which such Shares trade in the secondary market. The price at which the Shares trade will be influenced by a variety of factors, some specific to the Company and its investments and some which may affect companies generally.

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

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

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

In addition, the London Stock Exchange has the right to suspend or limit trading in a company's securities. Any suspension or limitation on trading in the Shares may affect the ability of Shareholders to realise their investment.

The Company may in the future issue new Shares which may dilute Shareholders' equity or have a detrimental effect on the market price of the Shares

Further issues of Shares may, subject to compliance with the relevant provisions of the Companies Act and the Articles, be made on a non pre-emptive basis. Any such issue may dilute the percentage of the Company held by Shareholders. Additionally, such issues could have an adverse effect on the market price of the Shares.

Future sales of Shares could cause the market price of the Shares to fall

Sales of Shares or interests in the Shares by significant investors could depress the market price of the Shares. A substantial amount of Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Shares. Both scenarios, occurring either individually or collectively, may make it more difficult for Shareholders to sell their Shares at a time and price that they deem appropriate.

Potential future Share buy-backs or tender offers undertaken by the Company may make the residual Shares less liquid or increase the Company's level of gearing

Any reduction in the issued Share capital of the Company as a result of any Share buy-back(s) undertaken by the Company or, more significantly, any tender offer undertaken by the Company, may, depending on the size and nature of such buy-back(s) or tender offer, reduce the liquidity of the remaining Shares in issue and will reduce the asset base over which fixed costs are spread. In addition, as noted above, any reduction in the number of Shares in issue will, in the absence of a corresponding reduction in gearing, result in an increase in the Company's level of gearing.

The Shares are subject to significant transfer restrictions for Shareholders in the United States

The Shares have not been and will not be registered under the US Securities Act, and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account to benefit of, UK Persons, except pursuant to an exemption from the registration requirements of the US Securities Act and in a manner that would not result in the Company being required to register under the US Investment Company Act. There has not been, and will not be, any public offer of the new Shares in the United States.

There are significant restrictions on the purchase and resale of Shares by Shareholders located in the United States, that are US Persons, or who hold Shares for the account or benefit of US Persons and on the resale of Shares by any Shareholders to any person located in the United States or to, or for the account or benefit of, a US Person. If in the future the initial purchaser, as well as any subsequent holder, decides to offer, sell, transfer, assign or otherwise dispose of the Shares, they may do so only: (i) outside the United States in an "offshore transaction" complying with the provisions of Regulation S under the US Securities Act to a person not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

A US ASLIT Shareholder that does not complete and return a valid US Investor Representation Letter will be deemed to have elected for the Cash Option.

RISKS RELATING TO REGULATION, TAXATION AND THE COMPANY'S OPERATING ENVIRONMENT

Changes in taxation legislation or practice may adversely affect the Company and the tax treatment for Shareholders investing in the Company

Any change in the Company's tax status, or in taxation legislation or practice in the United Kingdom or other jurisdictions to which the Company has exposure (including the jurisdictions in which companies in the Portfolio are based), could, depending on the nature of such change, adversely affect the value of investments in the Portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders. Statements in this Prospectus concerning the taxation of the Company and taxation of Shareholders are based upon current UK tax law and published practice, any aspect of which is in principle subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to pursue successfully its investment policy and/or which could adversely affect the taxation of the Company and the Shareholders.

Existing and potential investors should consult their tax advisers with respect to their own tax position before deciding whether to invest in the Company.

Loss of investment trust status may adversely affect the Company and the tax treatment for Shareholders investing in the Company

It is the intention of the Directors to continue to conduct the affairs of the Company so as to satisfy the conditions under section 1158 of the Corporation Tax Act and the Investment Trust Tax Regulations and, accordingly, for the Company to retain approval as an investment trust. In respect of each accounting period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on chargeable gains. There is a risk that if the Company fails to maintain its status as an investment trust, the Company would be subject to the normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company for the purposes of the Corporation Tax Act, which is a requirement to maintain investment trust status, as the Shares are freely transferable. In the event that the Company fails to continue to satisfy the criteria for maintaining investment trust status, the Company will, as soon as reasonably practicable, notify Shareholders of this fact.

Changes in laws or regulations governing the Company's or the Investment Manager's operations may adversely affect the business and performance of the Company

The Company and the Investment Manager are subject to laws and regulations enacted by national and local governments.

The Company, as a closed-ended investment company incorporated in England and Wales, is subject to various laws and regulations in such capacity, including the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR, the UK AIFMD Laws, the EU AIFM Directive, the UK PRIIPs Laws, the AIC Code and the Companies Act. The Company will be subject also to the continuing obligations imposed on all investment companies whose shares are admitted to trading on the London Stock Exchange's Main Market and to listing on the premium listing segment of the Official List in the case of the Ordinary Shares and the standard listing segment of the Official List in the case of the ZDP Shares. These rules, regulations and laws govern the way that, amongst other things, the Company is operated (i.e. its governance), how its Shares can be marketed and how it must deal with its Shareholders, together with requiring the Company to make certain reports, filings and notifications (and governing their respective content).

Any changes to the rules, laws and regulations affecting the Company and the Investment Manager could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

Shareholders may be subject to withholding and forced transfers under FATCA and there may also be reporting of Shareholders under other exchange of information arrangements

The UK has concluded an intergovernmental agreement (“IGA”) with the US (for the purposes of this Risk Factor, the “US-UK IGA”), pursuant to which parts of FATCA have effectively been incorporated into UK law. Under the US-UK IGA a Foreign Financial Institution that is resident in the UK (a “Reporting FI”) is not subject to withholding tax under FATCA (that is, at 30 per cent.) provided that it complies with the terms of the US-UK IGA, including documentation requirements, requirements to register with the IRS to obtain a Global Intermediary Identification Number and requirements to identify, and report certain information on, accounts held by certain US persons owning, directly or indirectly, an equity or debt interest in the company (other than equity and debt interests that are regularly traded on an established securities market, as described below) and report on accounts held by certain other persons or entities to HMRC, which will exchange such information with the IRS.

The Company expects that it will be treated as a Reporting FI pursuant to the US-UK IGA and that it will comply with the requirements under the US-UK IGA and relevant UK legislation. The Company also expects that its Shares may, in accordance with the current HMRC practice, comply with the conditions set out in the US-UK IGA to be “regularly traded on an established securities market” meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC.

However, there can be no assurance that the Company will be treated as a Reporting FI, that its Shares will be considered to be “regularly traded on an established securities market” or that it will not in the future be subject to withholding tax under FATCA or the US-UK IGA.

The UK has also implemented the CRS, under which the Company may be required to collect and report to HMRC certain information regarding its Shareholders and HMRC may pass this information on to tax authorities in other jurisdictions.

The requirements under FATCA, the CRS and similar regimes and any related legislation, IGAs and/or regulations may impose additional burdens and costs on the Company or Shareholders. There is no guarantee that the Company will be able to satisfy such obligations and any failure to comply may materially adversely affect the Company’s business, financial condition, results of operations, NAV and/or the market price of the Shares. In addition, there can be no guarantee that any payments in respect of the Shares will not be subject to withholding tax under FATCA. To the extent that such withholding tax applies, the Company is not required to pay any additional amounts to Shareholders.

In acquiring Shares, each Shareholder is agreeing, upon the request of the Company or its delegate, to provide such information as is necessary to comply with FATCA, the CRS and other similar regimes and any related legislation, IGAs and/or regulations.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the CRS and similar regimes concerning the automatic exchange of information and any related legislation, IGAs and/or regulations.

The Company has not, does not intend to and may be unable to become registered as an investment company under the US Investment Company Act and related rules

The Company has not, does not intend to and may be unable to become registered with the SEC as an “investment company” under the US Investment Company Act and related rules. The US Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered, does not intend to so register and may be unable to so register, none of these protections or restrictions are or will be applicable to the Company. However, if the Company were to become subject to the US Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the US Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect the operating results and financial performance of the Company. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the US Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity and shareholders in that entity may be entitled to withdraw their investment.

The ability of certain persons to hold Shares and make secondary transfers in the future may be restricted as a result of ERISA and other regulatory considerations

Each initial purchaser and subsequent transferee of Shares is required to represent and warrant or will be deemed to represent and warrant that it is not a “benefit plan investor” as defined in Section 3(3) of the US Employment Retirement Income Security Act of 1974, as amended (“ERISA”), and that it is not, and is not using assets of, a plan or other arrangement subject to provisions under applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA or Section 4975 of the US Internal Revenue Code of 1986, as amended (the “US Tax Code”), unless its purchase/receipt of, holding and disposition of Shares does not constitute or result in a non-exempt prohibited transaction or violation of any such substantially similar law.

RISKS SPECIFIC TO THE PROPOSALS

Movement in the value of assets being transferred from ASLIT to the Company may have a negative effect on the Company’s opening Net Asset Value

For the purposes of the Proposals, and in order to enable the Company to acquire assets from ASLIT, the assets of the Company and ASLIT are expected to be valued as at the close of business on 21 June 2024 (which will be the Calculation Date for the purposes of the ASLIT Scheme) and assets will be transferred to the Company as soon as practicable following the Scheme becoming unconditional. Movements in the value of those assets during the intervening period may have a positive or negative effect on the Company’s opening Net Asset Value. Movements in the value of those assets over the period since the date of this document could also affect the portfolio yield used in the Assumptions and may result in the Company being unable to meet the anticipated dividends in the range of 4.0 and 5.0 pence per Ordinary Share in respect of the period to 30 June 2025.

Implementation of the Proposals is subject to certain conditions

Implementation of the Proposals is conditional upon, amongst other things Admission becoming effective after ASLIT being placed into members’ voluntary liquidation. Therefore, if Admission were not to occur after ASLIT has been placed into members’ voluntary liquidation, the Scheme would not be implemented, any assets transferred to the Company would be returned to ASLIT and ASLIT Shareholders would instead receive their entitlements in accordance with the provisions of the special resolution passed at the First ASLIT General Meeting and ASLIT and Aberforth Partners would remain liable for the costs in relation the Proposals which it is estimated would be approximately £565,000 if the Proposals did not proceed.

IMPORTANT INFORMATION

GENERAL

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

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

Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of J.P. Morgan Cazenove or any person affiliated with J.P. Morgan Cazenove accepts any responsibility whatsoever and makes no representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness, or for any other statement made or purported to be made by them, or on their behalf, the Company or any other person in connection with the Company, the Shares, Admission, the Scheme or the Issues and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. J.P. Morgan Cazenove (and its affiliates) does not assume any responsibility for the accuracy, completeness or verification of this Prospectus or for any other statement made or purported to be made by them, or on their behalf, the Company or any other person in connection with the Company, the Shares, Admission, the Scheme or the Issues and accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

J.P. Morgan Cazenove and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company and/or the Investment Manager and any of their respective affiliates for which J.P. Morgan Cazenove would have received customary fees. J.P. Morgan Cazenove and its affiliates may provide such services to the Company and/or the Investment Manager and any of their respective affiliates in the future.

In connection with the Issues, J.P. Morgan Cazenove and any of its affiliates, acting as investors for its or their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in the Shares and other securities of the Company or related investments in connection with the Issues or otherwise. Accordingly, references in this Prospectus to Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by J.P. Morgan Cazenove and any of its affiliates acting as an investor for its or their own account(s).

Neither J.P. Morgan Cazenove nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, J.P. Morgan Cazenove may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements in connection with which J.P. Morgan Cazenove may from time to time acquire, hold or dispose of shareholdings in the Company.

An investment in the Ordinary Shares and/or ZDP Shares should constitute part of a diversified investment portfolio. Both the Ordinary Shares and ZDP Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Ordinary Shares and/or ZDP Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. It should be remembered that the price of the Ordinary Shares and/or the ZDP Shares and the income from the Ordinary Shares can go down as well as up. In addition, the Ordinary Shares are geared by the ZDP Shares and the different rights and expectations of the holders of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them. The Ordinary Shareholders are expected to be interested in both the revenue produced by and the increases in capital value of the Company's portfolio. However the ZDP Shareholders are expected to have little or no interest in the revenue produced by the Company's portfolio save to the extent that the Company's operating costs exceed the revenue. While the Company's investment objective and policy seek to strike a balance between the interests of both classes of Shareholders, there can be no guarantee that such a balance will be achieved and maintained during the life of the Company. Both the Ordinary Shares and the ZDP Shares are designed to be held over the long-term and may not be suitable as short-term investments.

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

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

PROFILE OF A TYPICAL INVESTOR

The Ordinary Shares and the ZDP Shares are designed to be suitable for institutional investors and professionally-advised private investors. The Ordinary Shares and the ZDP Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Furthermore, an investment in the Ordinary Shares and/or the ZDP Shares should constitute part of a diversified investment portfolio.

Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors who are unsure whether to invest should consider consulting a financial adviser authorised under FSMA to assess whether an investment in the Company is suitable.

SELLING RESTRICTIONS

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any Ordinary Shares and/or ZDP Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

The distribution of this Prospectus and the offering of Ordinary Shares and/or ZDP Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of Ordinary

Shares and ZDP Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction relevant to them in connection with any proposed applications for Ordinary Shares and/or ZDP Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for the United Kingdom and save as explicitly stated elsewhere in this Prospectus, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of Ordinary Shares and/or ZDP Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus in any other jurisdiction where action for that purpose is required.

Notice to prospective investors in the United Kingdom

No Shares have been offered or will be offered pursuant to the Issues to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which has been approved by the FCA, except that offers of Shares to the public may be made at any time with the prior consent of J.P. Morgan Cazenove, under the following exemptions under the UK Prospectus Regulation:

- to any legal entity which is a qualified investor as defined in Regulation 2(e) of the UK Prospectus Regulation (as amended);
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation (as amended)) in the United Kingdom; or
- in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation (as amended) with the prior consent of J.P. Morgan Cazenove,

provided that no such offer of Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the UK Prospectus Regulation (as amended).

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for Shares.

Notice to prospective investors in Jersey

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

The Placing and Offer for Subscription referred to in this Prospectus are available, and are and may be made, in or from within Jersey and this Prospectus is being provided in or from within the Jersey only:

- by persons incorporated (if a company) or registered (if a limited liability company) in Jersey which are registered by the JFSC to carry on the relevant class of investment business under the Financial Services (Jersey) Law 1998 or who are able to rely on an exemption to such authorisation in respect of the carrying on of such relevant class of investment business by them; or
- by non-Jersey persons which meet the criteria for exemption specified in the Financial Services (Investment Business (Overseas Persons – Exemption)) (Jersey) Order 2001.

Notice to prospective investors in Guernsey

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

- by persons licensed to do so by the Guernsey Financial Services Commission (the “**GFSC**”) under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (as amended, extended or re-enacted) and the regulations enacted thereunder (the “**POI Law**”); or
- by non-Guernsey bodies or individuals not resident in the Bailiwick of Guernsey which (a) carry on such promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry on promotion in or from within, and under the law of, a designated jurisdiction which, in the opinion of the States of Guernsey Policy & Resources Committee, affords adequate protections to investors (a “**Designated Jurisdiction**”); and (b) has its main place of business in that Designated Jurisdiction and does not carry on any restricted activity from a permanent place of business in the Bailiwick of Guernsey; (c) is recognised as a national of that Designated Jurisdiction by its law (and has provided evidence of the same) and (d) has given prior written notice to the GFSC of the date from which it intends to carry on the promotion in or from within the Bailiwick of Guernsey (by completion of a “Form EX” and submission of the requisite documentation) and complied with certain requirements applicable to an applicant for a licence and the GFSC has issued confirmation of the exemption; or
- to those persons regulated by the GFSC as licensees under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, as amended, the Insurance Business (Bailiwick of Guernsey) Law 2002, as amended, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, as amended, or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020, as amended and the person carrying on the activity satisfies the requirements set out under the second bullet paragraphs (a) to (c) above and has given written notice to the GFSC of the date from which it intends to carry out the promotional activity; or
- as otherwise permitted by the GFSC.

The Placing and Offer for Subscription referred to in this Prospectus and this Prospectus have not been reviewed, approved or authorised by the GFSC or the States of Guernsey for circulation in or from within the Bailiwick of Guernsey and are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Placing and Offer for Subscription referred to in this Prospectus or the correctness of any statement made or opinions expressed with regards to the foregoing in the Prospectus.

Notice to prospective investors in the Isle of Man

The Ordinary Shares and ZDP Shares cannot be marketed, offered or sold in or to persons in the Isle of Man other than in compliance with the licensing requirements of the Isle of Man Financial Services Act 2008, as amended, or any exclusion or exemption therefrom.

The Issues is available, and is and may be made, in or from within the Isle of Man and this Prospectus is being provided in or from within the Isle of Man only:

- by persons licensed to do so under the Isle of Man Financial Services Act 2008; or
- in accordance with any relevant exclusion contained within the Regulated Activities Order 2011, as amended, or exemption contained in the Financial Services (Exemptions) Regulations 2011, as amended.

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

This Prospectus has not been, and is not required to be, filed or lodged with any regulatory or other authority in the Isle of Man. The Company is not subject to any regulatory approval in the Isle of Man. Investors in the Company are not protected by any statutory compensation arrangements in the event of the Company's failure and the Isle of Man Financial Services Authority does not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

Notice to prospective investors in the EEA

In relation to each EEA Member State, no Ordinary Shares or ZDP Shares have been offered or will be offered pursuant to the Issues to the public in that EEA Member State prior to the publication of a prospectus in relation to the Ordinary Shares and/or ZDP Shares (as the case may be) which has been approved by the competent authority in that EEA Member State, or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus Regulation, except that offers of Ordinary Shares and/or ZDP Shares to the public may be made at any time with the prior consent of J.P. Morgan Cazenove, under the following exemptions under the EU Prospectus Regulation, that are effective in that EEA Member State:

- to any legal entity which is a "qualified investor" as defined in Article 2(e) of the EU Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in such EEA Member State; or
- in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation with the prior consent of J.P. Morgan Cazenove,

provided that no such offer of Ordinary Shares and/or ZDP Shares (as the case may be) shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the EU Prospectus Regulation in an EEA Member State.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Shares in any EEA Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for Shares.

The Prospectus should not be made available to any investor domiciled in any EEA Member State. Prospective investors domiciled in the EEA that have received the Prospectus in any EEA Member States should not subscribe for Ordinary Shares or ZDP Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the Company has confirmed that the Company has made the relevant notification or applications in that EEA Member State and are lawfully able to market Ordinary Shares and/or ZDP Shares (as the case may be) into that EEA Member State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor's own initiative. The Prospectus should not be made available to any investor domiciled in any EEA Member State.

The Ordinary Shares and ZDP Shares may not be marketed to retail investors (as this term is defined in the EU AIFM Directive as transposed in the relevant EEA Member State) in any EEA Member State unless the Ordinary Shares and/or ZDP Shares (as the case may be) have been qualified for marketing to retail investors in that EEA Member State in accordance with applicable local laws. At the date of this Prospectus, the Ordinary Shares and ZDP Shares are not eligible to be marketed to retail investors in any EEA Member State. Accordingly, the Ordinary Shares and ZDP Shares may not be offered, sold or delivered and neither this document nor any other offering materials relating to such Ordinary Shares or ZDP Shares may be distributed or made available to retail investors in any EEA Member State.

Notice to prospective investors with respect to US federal securities laws

The Shares to be issued pursuant to the Offer Issue are being offered or sold only outside the United States in “offshore transactions” to non-US Persons pursuant to Regulation S under the US Securities Act. The Shares to be issued pursuant to the Scheme Issue are being offered or sold only: (i) outside the United States in “offshore transactions” to non-US Persons pursuant to Regulation S under the US Securities Act and (ii) to persons that are both “qualified institutional buyers”, or “QIBs”, as defined in Rule 144A under the US Securities Act and Qualified Purchasers, pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed and returned a US Investor Representation Letter. A US ASLIT Shareholder that does not complete and return a valid US Investor Representation Letter will be deemed to have elected for the Cash Option.

In addition, the Company has not been and will not be registered under the US Investment Company Act, and investors in the Ordinary Shares and the ZDP Shares will not be entitled to the benefits of the US Investment Company Act. The Shares have not been and will not be registered under the US Securities Act and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, any US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not result in the Company being required to register under the US Investment Company Act. There has not been and there will not be any public offer of the Shares in the United States.

The Shares are also subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the Articles. For further information on restrictions on offers, sales and transfers of the Shares, please refer to the section titled “*Notice to US ASLIT Shareholders*” in Part 6 of this Prospectus.

Available Information

For so long as the Ordinary Shares and ZDP Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the US Securities Exchange Act of 1934, as amended from time to time, (the “**US Exchange Act**”) nor exempt from reporting under the US Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon request the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act.

Enforcement of Civil Liabilities

The Company is organised as a public limited company incorporated under the laws of England and Wales. None of the Company’s directors or officers are citizens or residents of the United States. In addition, the majority of the Company’s and its directors’ and officers’ assets are located outside the United States. As a result, it may not be possible for US investors to effect service of process within the United States upon the Company or its directors and officers located outside the United States or to enforce in the US courts or outside the United States judgments obtained against them in US courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the US federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce judgments of US courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales.

Notice to investors in Australia, Canada, Japan, New Zealand or the Republic of South Africa

The offer and sale of Ordinary Shares and ZDP Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, Japan, New Zealand or the Republic of South Africa. Subject to certain exemptions, the Ordinary Shares and ZDP Shares may not be offered to or

sold within Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any national, resident or citizen of such territories.

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

NMPI STATUS

The promotion of unregulated collective investment schemes and other “non-mainstream pooled investments” (or “**NMPIs**”) (together with other non-mass market investments) by FCA authorised persons (such as independent financial advisers) is restricted by FCA rules. Financial advisers, including authorised independent financial advisers, are restricted from promoting NMPIs to retail investors who do not meet certain high net worth tests or who cannot be treated as sophisticated investors.

As the Company is an investment trust, the Shares will be “excluded securities” under the FCA rules. Accordingly, the promotion of the Shares is not subject to the FCA’s restriction on the promotion of NMPIs.

ELIGIBILITY FOR INVESTMENT BY UCITS OR NURS

The Company has been advised that both the Ordinary Shares and ZDP Shares should be “transferable securities” and, therefore, should be eligible for investment by UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Ordinary Shares and ZDP Shares are both to be admitted to trading on the London Stock Exchange’s Main Market; and (iii) the Investment Manager is authorised and regulated by the FCA and, as such, is subject the rules of the FCA in the conduct of its investment business. However, the manager of a UCITS or NURS should satisfy itself that the Ordinary Shares and/or ZDP Shares (as the case may be) are eligible for investment by that fund, including a consideration of the factors relating to that UCITS or NURS itself, specified in the rules of the FCA.

INFORMATION TO DISTRIBUTORS

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

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

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU, or the UK MiFID Laws, as applicable; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares and/or ZDP Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and/or ZDP Shares (as the case may be) and determining appropriate distribution channels.

PRIIPS REGULATION

In accordance with the UK PRIIPs Laws, the Investment Manager has prepared a key information document in respect of the Ordinary Shares (the “**Ordinary Shares KID**”) and a key information document in respect of the ZDP Shares (the “**ZDP Shares KID**”), and together with the Ordinary Shares KID, the “**KIDs**”). The UK PRIIPs Laws requires the Investment Manager to ensure that the KIDs are made available to “retail investors” prior to them making an investment decision in respect of the Ordinary Shares and/or ZDP Shares, as applicable, and the KIDs are therefore available to investors at the Company’s website (<https://aberforth.co.uk/trusts-and-funds/aberforth-g geared-value-income-trust-plc>). Accordingly, if you are distributing Ordinary Shares and/or ZDP Shares, it is your responsibility to ensure the relevant KID is provided to any relevant clients.

The Investment Manager is the only manufacturer of the Ordinary Shares and ZDP Shares for the purposes of the UK PRIIPs Laws and none of the Company nor J.P. Morgan Cazenove is a manufacturer for these purposes. None of the Company nor J.P. Morgan Cazenove makes any representation, express or implied, or accepts any responsibility whatsoever for the contents of the KIDs prepared by the Investment Manager nor accepts any responsibility to update the contents of the KIDs in accordance with the UK PRIIPs Laws, to undertake any review processes in relation thereto or to provide the KIDs to future distributors of Ordinary Shares and/or ZDP Shares. Each of the Company and J.P. Morgan Cazenove and their respective affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of the KIDs or any other key information documents prepared by the Investment Manager from time to time.

DATA PROTECTION

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

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

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

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

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

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

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

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

PRESENTATION OF FINANCIAL INFORMATION

The Company is newly formed and as at the date of this Prospectus has not commenced operations and has no assets or liabilities which will be material in the context of the Issues and, therefore, no financial statements have been prepared as at the date of this Prospectus. All future financial information for the Company will be prepared under UK GAAP, presented in Sterling under FRS 102.

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

MARKET AND INDUSTRY DATA

Certain information in this Prospectus has been sourced from third parties. Where information in this Prospectus has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information.

All information contained in this Prospectus which has been sourced from third parties has been accurately reproduced and, as far as the Company or the Investment Manager is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

All references to market data, industry statistics and forecasts and other information in this Prospectus consist of estimates based on data and reports compiled by industry professionals, organisations, analysts, publicly available information or the Company's or the Investment Manager's own knowledge of their relevant markets.

Market data and statistics are inherently speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that: the markets may be defined differently; the underlying information may be gathered by different methods; and different assumptions may be applied in compiling the data. Accordingly, the market statistics included in this Prospectus should be viewed with caution.

CURRENCY PRESENTATION

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

WEBSITES

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

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

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

GOVERNING LAW

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

FORWARD LOOKING STATEMENTS

This Prospectus includes statements that are, or may be deemed to be, “forward-looking statements”. Forward-looking statements typically can be identified by the use of forward-looking terminology, including, but not limited to, terms such as “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. Such forward-looking statements, which include all matters that are not historical facts, appear in a number of places in this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company, the Board or the Investment Manager concerning, amongst other things, the investment objective, investment performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it invests and/or operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company’s actual investment performance, results of operations, financial condition, dividends paid and its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition of the Company and its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results, its condition or strategies may not be indicative of results, its condition or strategies in subsequent periods. Important factors that could cause these differences include, but are not limited to:

- changes in economic conditions generally and the Company’s ability to achieve its investment objective;
- the Company’s ability to invest and manage its assets within the parameters of the investment objective and investment policy;
- changes in interest rates, as well as the success of the Company’s investment strategy in relation to such changes;
- impairments in the value of the Company’s investments;
- the availability and cost of capital for future investments;
- the departure of key personnel employed by the Investment Manager;

- the failure of the Investment Manager to perform its obligations under the Investment Management Agreement or the termination of the Investment Management Agreement;
- changes in the competitive landscape for the acquisition of investment assets;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Company; and
- general economic trends and other external factors, including those resulting from natural disasters, pandemics, war, incidents of terrorism or responses to such events.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the section titled “Risk Factors” of this Prospectus for a discussion of additional factors that could cause the Company’s actual results to differ materially from those that the forward-looking statements may give the impression will be achieved, before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Regulation Rules, the Listing Rules, UK MAR, the EU AIFM Directive, the UK AIFMD Laws or the Disclosure Guidance and Transparency Rules), whether as a result of new information, future events, conditions or circumstances, any change in the Company’s expectations with regard thereto or otherwise, Shareholders are advised to read any communications made directly to them by the Company and/or any additional disclosures in announcements that the Company may make through a Regulatory Information Service.

Nothing in the preceding two paragraphs seeks to limit or qualify, in any way, the working capital statement in paragraph 9 of Part 9 of this Prospectus.

PERFORMANCE DATA

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

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

EXPECTED TIMETABLE

Event	Date (all 2024)
Placing and Offer for Subscription	
Publication of this Prospectus	28 May
Placing and Offer for Subscription open	28 May
Latest time and date for receipt of Application Forms under the Offer for Subscription	11.00 a.m. on 21 June
Latest time and date for receipt of applications under the Placing	4.00 p.m. on 21 June
Regulatory Information Service announcement of the results of the Placing and Offer for Subscription and the number of Ordinary Shares and ZDP Shares to be issued pursuant to the ASLIT Scheme	28 June
ASLIT Scheme	
First ASLIT General Meeting	10.00 a.m. on 20 June
Calculation Date	5.00 p.m. on 21 June
Record Date for entitlement under the ASLIT Scheme	6.00 p.m. on 21 June
ASLIT Shares disabled for settlement in CREST	6.00 p.m. on 21 June
Suspension of trading in ASLIT Shares	7.30 a.m. on 24 June
Announcement of the results of the Elections and reclassification of the ASLIT Shares	26 June
Reclassification of ASLIT Shares (and commencement of dealings in Reclassified ASLIT Shares)	8.00 a.m. on 27 June
Suspension of listing of Reclassified ASLIT Shares and ASLIT Register closes	7.30 a.m. on 28 June
Second ASLIT General Meeting	10.00 a.m. on 28 June
Effective Date for implementation of the ASLIT Scheme and commencement of the liquidation of ASLIT	28 June
Admission to the listing and commencement of dealings in the Ordinary Shares and ZDP Shares issued pursuant to the Issues	8.00 a.m. on 1 July
Crediting of CREST accounts in respect of the Ordinary Shares and the ZDP Shares issued under the Issues	as soon as is reasonably practicable on 1 July
Share certificates in respect of the Ordinary Shares and the ZDP Shares despatched (if applicable)	as soon as practicable after 1 July
Cancellation of listing of Reclassified ASLIT Shares	as soon as practicable after the Effective Date

Notes:

- (1) The times and dates set out in the expected timetable above and mentioned throughout this Prospectus may be adjusted by the Company, in which event details of the new times and/or dates will be notified, as required, to the FCA and the London Stock Exchange and, where appropriate, to Shareholders and an announcement will be made through a Regulatory Information Service.
- (2) All references to times in this document are to London time, unless otherwise stated.

ISSUE STATISTICS⁽¹⁾

The Company

Minimum Share Subscription Amount from the Scheme Issue and the Offer Issue	£75 million
Maximum share subscription from Scheme Issue and Offer Issue	£222 million
The ratio, on Admission, of Ordinary Shares to ZDP Shares	8:3

Ordinary Shares

Issue Price per Ordinary Share	100 pence
Anticipated range for total dividend per Ordinary Share for the period to 30 June 2025 ⁽²⁾	4.0 – 5.0 pence
Hurdle rate to return Issue Price of 100 pence per Ordinary Share at the Planned Winding Up Date ⁽³⁾	3.0 per cent. per annum
Hurdle rate at or below which the Ordinary Shares will not have any capital value on the Planned Winding Up Date ⁽³⁾	-10.3 per cent. per annum
Maximum number of Ordinary Shares available under the Issues	161.5 million

ZDP Shares

Issue Price per ZDP Share	100 pence
Fixed Final Capital Entitlement per ZDP Share on the Planned Winding Up Date	160.58 pence
Gross Redemption Yield at Issue Price ⁽⁴⁾	7.0 per cent.
Illustrative Cover of the ZDP Shares upon Admission	2.0 times
Hurdle rate at or above which the ZDP Shareholders will receive the Final Capital Entitlement of 160.58 pence on the Planned Winding Up Date	-10.3 per cent. per annum
Hurdle rate at or below which the ZDP Shares will not be entitled to any final capital entitlement on the Planned Winding Up Date	-50.2 per cent. per annum
Maximum number of ZDP Shares to be issued pursuant to the Issues	60.5 million

(1) The returns and certain of the issue statistics set out above are projected and illustrative and do not represent profit forecasts. There is no guarantee these returns will be achieved. They are described in more detail in Part 2 of this Prospectus. The returns and issue statistics should be read in conjunction with the Assumptions (set out in Part 5 of this Prospectus). Potential investors are reminded to read the section headed 'Risk factors' (pages 13 to 25) and the section headed 'Forward looking statements' (page 35). Capital entitlements at the Planned Winding Up Date are dependent on there being sufficient capital growth in the Company's assets.

(2) The Directors anticipate that, on the basis of the Assumptions and in the absence of unforeseen circumstances, the Company will target total dividends in the range of 4.0 and 5.0 pence per Ordinary Share, in respect of the period from Admission to 30 June 2025. This statement of intention relates to dividends only, is not a profit forecast and is based on the Assumptions. In the event the Assumptions are not met, this may affect the ability of the Company to meet its intended level of dividend distribution.

(3) Hurdle rates refer to the rate of annual capital growth in the Company's portfolio required for the Net Asset Value of a Share to equal a stated amount on the Planned Winding Up Date and are based on the Assumptions.

(4) The Gross Redemption Yield of 7.0 per cent. is based on the Final Capital Entitlement of 160.58 pence on 30 June 2031 and the Issue Price of 100 pence.

DEALING CODES

ISIN (Ordinary Shares)	GB00BPJMQ253
ISIN (ZDP Shares)	GB00BPJMQ360
SEDOL (Ordinary Shares)	BPJMQ25
SEDOL (ZDP Shares)	BPJMQ36
Ticker Code (Ordinary Shares)	AGVI
Ticker Code (ZDP Shares)	AGZI

DIRECTORS, MANAGEMENT AND OTHER ADVISERS

Directors	Angus Gordon Lennox Graeme Bissett Lesley Jackson Jane Tufnell
	all non-executive and of the registered office below
Registered office	Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
AIFM, Investment Manager and Company Secretary	Aberforth Partners LLP Level 4, Dashwood House 69 Old Broad Street London EC2M 1QS
Sponsor and Placing Agent	J.P. Morgan Cazenove 25 Bank Street London E14 5JP
Solicitors to the Company	Dickson Minto W.S. Level 4, Dashwood House 69 Old Broad Street London EC2M 1QS
Solicitors to the Sponsor	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Legal advisers to the Company as to US securities law	Proskauer Rose LLP 110 Bishopsgate London EC2N 4AY
Receiving Agent	Link Group Corporate Actions Central Square 29 Wellington Street Leeds LS1 4DL
Registrar	Link Group Central Square 29 Wellington Street Leeds LS1 4DL
Reporting Accountant and Proposed Auditor	Johnston Carmichael LLP 7-11 Melville Street Edinburgh EH3 7PE
Depository	NatWest Trustee and Depositary Services Limited 250 Bishopsgate London EC2M 4AA
Tax Adviser	Ernst & Young LLP 1 More London Place London SE1 2AF
Banker	Handelsbanken 2nd Floor, Apex 3 95 Haymarket Terrace Edinburgh EH12 5HB

PART 1

INVESTMENT HIGHLIGHTS

Specialist small cap investment manager with proven long-term record of outperformance

Aberforth Partners has a 33 year record of strong investment performance in the small UK quoted companies asset class.

- Since its inception in December 1990, Aberforth Partners' longest-standing client, Aberforth Smaller Companies Trust plc, has delivered a NAV total return compound annual growth rate of 11.9 per cent. through April 2024.

Aberforth Partners has a successful investment record in managing split capital limited life investment trusts.

- The three predecessor split capital trusts that Aberforth Partners managed prior to the launch of ASLIT in July 2017 delivered total returns of between 13 per cent. and 19 per cent.⁽⁵⁾ per annum over their fixed terms.

Aberforth Partners' experience helps deliver strong investment performance through a value investment philosophy, in-depth bottom-up analysis and purposeful engagement with portfolio companies.

A differentiated investment vehicle – geared, limited life and closed-ended

AGVIT will offer a geared exposure to small UK quoted companies.

AGVIT's life is limited to seven years, with a planned winding up date of 30 June 2031, ensuring shareholders have an opportunity for liquidity at close to NAV within a defined time period.

The closed-ended structure enables AGVIT to take advantage of gearing, enhancing potential returns.

Significant alignment between the Investment Manager and Shareholders

The partners of the Investment Manager will be significant investors in AGVIT, ensuring material alignment with Shareholders.

Opportunity from the resilience of small UK quoted companies

The profits of small UK quoted companies are currently depressed by the recession in the second half of 2023 and by the lingering effects of the Pandemic. There is therefore scope for a profit recovery as economic conditions improve.

Notwithstanding this currently depressed profitability, the balance sheets of small UK quoted companies as a whole are in a robust state. Additionally, for some companies, the opportunity to de-risk defined benefit pension schemes should enhance free cash flow.

Projected recovery in valuations from historically low levels

The portfolios managed by Aberforth Partners currently have unusually low valuations, which the Investment Managers believe are the basis of good future investment returns.

The portfolios managed by Aberforth Partners currently have a "triple discount", which stems from apathy towards the UK economy, sentiment towards UK small caps and value bias of the Investment Managers' investment approach. The Investment Managers believe that Shareholders can benefit as these discounts narrow over time.

There is historical evidence that the chance of achieving superior medium term investment returns is higher when starting valuations are low.

(5) The capital structures varied. Total Equity Total Return – return to providers of equity capital (ordinary shares or capital and income share units, as applicable)

Continued M&A activity in the UK

Low stockmarket valuations are attracting M&A interest from other companies and from private equity. This is a route through which value opportunities can be realised.

Average EV/EBITDA multiples paid in recent transactions are higher than the average multiples of portfolios managed by the Investment Managers.

When proposed takeover terms are inadequate, Aberforth Partners engages with the aim of improving the outcome for shareholders.

The Investment Managers' value investment style

Aberforth Partners has consistently followed a value investment philosophy, which sets it apart from most other managers of small company investment trusts.

There is evidence that the value investment style has contributed to superior investment returns over the long term.

Income differentiation of small UK quoted companies

Most UK equity income funds rely on dividends from large companies.

Dividends from small UK quoted companies are better diversified and have grown more quickly over time when compared to those from large UK companies.

The income outlook should be supported by good dividend cover and strong balance sheets.

PART 2

ABERFORTH GEARED VALUE & INCOME TRUST PLC

1. INTRODUCTION

Aberforth Geared Value & Income Trust plc is a newly established, closed-ended, investment company incorporated in England and Wales on 29 March 2024 with registered number 15602886. The Company has a fixed life of seven years and is registered as an investment company under Section 833 of the Companies Act.

The Company will have two classes of Shares, Ordinary Shares and ZDP Shares which will be listed on the premium and standard segments of the Official List, respectively, and traded on the London Stock Exchange's Main Market. The Company will invest in a diversified portfolio of securities issued by small UK quoted companies in order to achieve its objective of providing Ordinary Shareholders with high total returns, incorporating an attractive level of income, and providing ZDP Shareholders with a pre-determined Final Capital Entitlement of 160.58 pence on the Planned Winding Up Date of 30 June 2031.

The Proposals enable the Company to invest in a portfolio of suitable investments, in accordance with its investment policy, from its launch without incurring significant dealing costs or the risk of suffering a delay in the proceeds of the Issues being invested. Accordingly, on the basis of the Assumptions, the Company expects to be substantially invested on launch.

The Company has an independent board of non-executive directors and has engaged Aberforth Partners LLP (the "**Investment Manager**") as the Company's alternative investment fund manager to provide overall portfolio and risk management services to the Company. The Investment Manager was formed in 1990 and specialises in investing in small UK quoted companies. As at 30 April 2024, the Investment Manager had £2.1 billion in funds under management on behalf of a number of clients.

It is intended that the Company will act as the rollover option for the existing shareholders in Aberforth Split Level Income Trust plc ("**ASLIT**") in connection with the recommended proposals for the scheme of reconstruction and members' voluntary winding up of ASLIT pursuant to section 110 of the Insolvency Act (the "**ASLIT Scheme**" or "**Scheme**"). ASLIT is an existing closed ended, split capital investment company, managed by the Investment Manager, which has a planned winding up date of 1 July 2024. The Company has a similar investment policy to that of ASLIT. The Company is proposing to issue Ordinary Shares and ZDP Shares to existing ASLIT Shareholders who either choose to participate or are deemed to have elected to participate in the Rollover Option in consideration for the transfer to the Company of the ASLIT Rollover Portfolio.

In addition, pursuant to the Placing and Offer for Subscription the Company is proposing to issue Ordinary Shares and ZDP Shares, at the Issue Price of 100 pence per Ordinary Share and 100 pence per ZDP Share, in order to finance the acquisition of all or part of the Remaining ASLIT Portfolio (the "**Offer Issue**").

The terms and conditions of the Placing and Offer for Subscription are set out in Parts 11 and 12 of this Prospectus, respectively.

2. THE PROPOSALS

In the light of ASLIT's planned winding up date of 1 July 2024, the ASLIT Directors are recommending that ASLIT Shareholders approve the winding up of ASLIT pursuant to the Scheme, under which both classes of ASLIT Shareholder will be offered the opportunity to exchange their ASLIT Shares for Shares in the Company in exchange for the Company receiving the ASLIT Rollover Portfolio. The Placing and Offer for Subscription are proposed to enable the Company to finance the acquisition of all or part of the Remaining ASLIT Portfolio. The Company and the Proposals will, therefore, provide ASLIT Shareholders with the opportunity to continue their investment in a split capital trust which invests in a diversified portfolio of small UK quoted companies managed by the same investment manager as ASLIT, Aberforth Partners LLP.

The Proposals are conditional on, *inter alia*, the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings, the ASLIT Scheme becoming unconditional and Applications under the Offer Issue and Elections under the Scheme Issue being received in respect of, at least, the Minimum Share Subscription Amount.

If the Proposals are implemented, the Company will issue Shares to those ASLIT Shareholders who have elected or are deemed to have elected for the Rollover Option under the ASLIT Scheme (subject to any scaling back as appropriate). In exchange for such issue of Shares, ASLIT will transfer the ASLIT Rollover Portfolio to the Company. The Company has also agreed, in principle, to acquire, for cash, such part of the Remaining ASLIT Portfolio as has a value (as at the Calculation Date) equal to the Net Issue Proceeds. The Company will not be larger than ASLIT as at 30 April 2024 when it had total assets of £222 million and it will have a ratio of Ordinary Shares to ZDP Shares of 8:3.

In the event that the net proceeds of the Placing and Offer for Subscription exceed the value of all of the Remaining ASLIT Portfolio as at the Calculation Date, applications under the Placing and Offer for Subscription will be scaled back accordingly. Further details of the scaling back provisions are set out in Part 7 of this Prospectus.

In acquiring on its launch the ASLIT Rollover Portfolio and all or part of the Remaining ASLIT Portfolio, both of which will consist of securities issued by small UK quoted companies and other assets (including cash), the Company will seek to achieve its objective of providing Ordinary Shareholders with high total returns, incorporating an attractive level of income, and to provide ZDP Shareholders with a pre-determined Final Capital Entitlement of 160.58 pence per ZDP Share on the Planned Winding Up Date of 30 June 2031.

Further details of the ASLIT Scheme

Background to the ASLIT Scheme

ASLIT is required under its articles of association to propose a winding up resolution on or within three months prior to 1 July 2024. The ASLIT Directors are therefore recommending that ASLIT be wound up voluntarily and a scheme of reconstruction under section 110 of the Insolvency Act be implemented. Under the terms of the ASLIT Scheme, ASLIT Shareholders may elect for the options set out below.

ASLIT Shareholders' entitlements under the ASLIT Scheme

ASLIT Shareholders can make different Elections in respect of different ASLIT Shares that they hold. Overseas ASLIT Shareholders will, if the Proposals become effective, receive cash in respect of their holdings.

- **ASLIT Ordinary Shareholders**

ASLIT Ordinary Shareholders may elect to:

- roll over some or all of their investment in ASLIT into Ordinary Shares in the Company at 100 pence per Ordinary Share (the "**Ordinary Rollover Option**"); and/or
- receive cash in respect of some or all of their investment in ASLIT (the "**Ordinary Cash Option**").

ASLIT Ordinary Shareholders (other than Overseas ASLIT Shareholders) who do not make a valid Election under the ASLIT Scheme will be deemed to have elected for Ordinary Shares in the Company and, in the event of a scaling back of allocations of Ordinary Shares, will receive Ordinary Shares and ZDP Shares in the ratio of 8:3 to the extent deemed elections for Ordinary Shares are unfulfilled (the "**Scaled Back Ordinary Election**").

ASLIT Ordinary Shareholders will have the option to elect (by completing the relevant boxes on their form of election or by submitting a TTE to the relevant member account) that, if they are scaled back in respect of any part of their deemed election for Ordinary Shares, they receive cash to the extent such deemed election for Ordinary Shares is unfulfilled. If Ordinary Shareholders do not make an election to be scaled back into cash, they will receive, by default, Ordinary Shares and ZDP Shares in respect of the Scaled Back Ordinary Election in the ratio of 8:3 subject to the Company not being larger than ASLIT as at 30 April 2024, when it had total assets of £222 million.

- **ZDP Shareholders**

ASLIT ZDP Shareholders may elect to:

- i. roll over some or all of their investment in ASLIT into ZDP Shares in the Company at 100 pence per ZDP Share (the “**ZDP Rollover Zero Option**”); and/or
- ii. roll over some or all of their investment in ASLIT into Ordinary Shares in the Company at 100 pence per Ordinary Share (the “**ZDP Rollover Ordinary Option**”); and/or
- iii. receive cash in respect of some or all of their investment in ASLIT (the “**ZDP Cash Option**”).

ASLIT ZDP Shareholders who do not make a valid Election under the ASLIT Scheme will be deemed to have elected for the ZDP Cash Option.

ASLIT ZDP Shareholders will have the option to elect (by completing the relevant boxes on their form of election or by submitting a TTE to the relevant member account) that, if they are scaled back in respect of any part of their election for Shares (such scaled back elections being the “**Scaled Back ZDP Election**”), they receive either: (i) Ordinary Shares and ZDP Shares in respect of the Scaled Back ZDP Election in the ratio of 8:3 subject to the Company not being larger than ASLIT as at 30 April 2024, when it had total assets of £222 million; and/or (ii) cash.

In exchange for the Company issuing its Shares to ASLIT Shareholders who elect or are deemed to elect for the Rollover Option pursuant to the ASLIT Scheme, the Company will receive the ASLIT Rollover Portfolio.

Further details of the Placing and Offer for Subscription

The Company is proposing to issue up to 161.5 million Ordinary Shares (less such number of Ordinary Shares as are issued under the ASLIT Scheme) and up to 60.5 million ZDP Shares (less such number of ZDP Shares as are issued under the ASLIT Scheme) under the Placing and Offer for Subscription to finance the acquisition of all or part of the Remaining ASLIT Portfolio. Pursuant to the Placing and Offer for Subscription, the Issue Price of the Ordinary Shares and the ZDP Shares is 100 pence per Share.

No commissions will be paid by the Company to any applicants under the Issues.

Scaling back

The Board will have an overriding discretion (after consultation with the ASLIT Directors, the Investment Manager and J.P. Morgan Cazenove) to scale back Elections under the Scheme Issue and/or applications under the Offer Issue to ensure that the Company: (i) will not be larger than ASLIT as at 30 April 2024 when it had total assets of £222 million; and (ii) will have a ratio of Ordinary Shares to ZDP Shares of 8:3. In exercising its discretion, the Board in particular intends to seek to ensure a fair allocation between ASLIT Shareholders who elect for the Rollover Option. In allocating Ordinary Shares preference will be given, so far as is practicable, to those existing ASLIT Ordinary Shareholders who have elected (or are deemed to elect) for the Ordinary Rollover Option and, in allocating ZDP Shares, the Board intends to give preference, so far as is practicable, to those existing ASLIT ZDP Shareholders who have elected for the ZDP Rollover Zero Option and/or the ZDP Rollover Ordinary Option.

The results of the Issues (including any scaling back) will be announced through a Regulatory Information Service on 28 June 2024.

Conditions of the Issues

The Offer Issue is conditional upon:

- the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings, and the ASLIT Scheme becoming unconditional;
- the Admission Condition being satisfied by 5.00 p.m. 28 June 2024 (and Admission occurring on 1 July 2024 or such later date not being later than 31 July 2024 as the Company, J.P. Morgan Cazenove and the Investment Manager may agree);

- the Minimum Share Subscription Amount being subscribed pursuant to the Scheme and/or the Placing and Offer for Subscription;
- the conditions precedent to the Sponsor and Placing Agreement being satisfied (further details of which are set out in paragraph 14.3 of Part 9 of this Prospectus); and
- neither the ASLIT Directors nor the Directors resolving to abandon the ASLIT Scheme or the Proposals.

The ASLIT Scheme is conditional upon:

- the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings, and the ASLIT Scheme becoming unconditional;
- the Minimum Share Subscription Amount being received by the Company pursuant to the Scheme and/or the Placing and Offer for Subscription; and
- the ASLIT Directors not having resolved to abandon the Scheme or exercised their right (at their entire discretion) not to proceed with the Scheme in the event that ASLIT Shareholders validly exercise their rights to dissent under section 111(2) of the Insolvency Act in respect of more than 5 per cent. of the issued ASLIT Ordinary Shares.

If these conditions are not satisfied by 28 June 2024 or if the Sponsor and Placing Agreement is terminated prior to Admission, no part of the Proposals will become effective and no Shares will be issued.

3. THE INVESTMENT MANAGER

The Company has appointed Aberforth Partners LLP (“**Aberforth Partners**” or the “**Investment Manager**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company. The Investment Manager is a limited liability partnership incorporated in England and Wales with registered number OC313353 and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS. The Investment Manager is authorised and regulated by the FCA.

Aberforth Partners was formed in 1990 and specialises in investing in small UK quoted companies using a value investment philosophy. The partnership is wholly owned by six working partners. Their interests are aligned with those of their clients through meaningful personal holdings in the funds they manage. As at the 30 April 2024, the Investment Manager had £2.1 billion of funds under management on behalf of a number of clients, including ASLIT. The partners do not believe that the business is scalable and will, as they have in the past, close it to new funds when the capacity ceiling approaches.

The Company will benefit from the expertise of the Investment Manager’s six investment professionals who together have a total of over 120 years’ of investment management industry experience. Aberforth Partners also provides company secretarial and other administrative services to the Company.

4. ABERFORTH PARTNERS’ RECORD

Aberforth Partners has a long-term record of strong investment performance and has significant experience in managing split capital investment trusts. It has a record in achieving attractive returns in the split capital trusts which it has managed. The table below illustrates the total return performance of each of ASLIT and the DNSCI (XIC) over the last seven years to 30 April in each year. The annualised total assets total return of ASLIT from its launch in 2017 to 30 April 2024 was 20.9 per cent.

Total return total performance

To 30 April	2024	2023	2022	2021	2020	2019	2018
ASLIT (Total Assets)	12.2%	1.0%	-2.7%	55.1%	-29.3%	-5.2%	5.4% ⁽⁶⁾
DNSCI (XIC)	7.2%	-3.0%	-7.4%	55.9%	-20.1%	-3.4%	7.1%

Source: Aberforth Partners

(6) The calculation of the total return performance for ASLIT to 30 April 2018 is from its launch in July 2017 and therefore is not in respect of a full 12 month period.

The table below illustrates the annualised dividend growth rate achieved by ASLIT over a range of time periods.

Annualised rates of dividend growth (excluding special dividends)

	1 year	3 years	5 years	7 years since ASLIT's launch in 2017
ASLIT	20.0%	25.3%	7.6%	7.0%

Source: Aberforth Partners

ASLIT has achieved a dividend growth rate of 7.0 per cent. per annum (on a compounded basis) over its seven year life. This compares favourably to the dividend growth rate (over a similar time period) from the DNSCI (XIC), ASLIT's investment universe, of 4.4 per cent. per annum (on a compounded basis).

Records of the predecessor split capital trusts managed by Aberforth Partners

	Launch	Life	NAV total return to total equity ⁽⁷⁾
Aberforth Split Level Trust plc	1991	12 years	14% per annum
Aberforth Geared Capital & Income Trust plc	2001	10 years	13% per annum
Aberforth Geared Income Trust plc	2010	7 years	19% per annum

Source: Aberforth Partners

Record of Aberforth Partners' longest standing client, Aberforth Smaller Companies Trust plc (ASCoT)

NAV total return CAGR to 30 April 2024	Since launch	10 years	5 Years	3 years
ASCoT (NAV)	11.9%	5.7%	5.6%	2.8%
DNSCI (XIC)	9.6%	5.0%	3.7%	-1.3%

Source: Aberforth Partners

5. INVESTMENT PROCESS

The Company will benefit from the expertise of Aberforth Partners' well-resourced investment management team of six, who together have a total of over 120 years' of investment management industry experience. The investment strategy and investment process have been consistently applied since Aberforth Partners was established in 1990. The following paragraphs describe the main aspects of the investment process.

Investment analysis

The investment universe is divided by sector among the investment team. Within their allocated sectors, each investment manager is responsible for covering companies, both holdings and non holdings, and for identifying investment opportunities. With six experienced investment managers in recent years and around 350 companies in total to analyse, the level of resource directed at the investment universe is very high.

The Investment Managers seek to understand how a company makes its money, its barriers to entry, its vulnerabilities, any significant ESG factors, the motivation of its executives and the oversight provided by the chair and non-executive directors. Scrutiny of historical results and regular contact with management are important features of the analytical effort. Using the output of their analysis, the Investment Managers determine a valuation for the company in question. A variety of methodologies and metrics – most commonly the ratio of enterprise value to earnings before interest tax and amortisation – are utilised, with the aim of calculating a target price for each stock.

(7) The capital structures varied. Total Equity Total Return – return to providers of equity capital (ordinary shares or capital and income share units, as applicable). Past performance is no guarantee of future results. There can be no assurance that the investment examples and strategies described herein will meet their objectives generally, or avoid losses.

Decision making

While analysis is conducted by individual investment managers within their allocated sectors, buy and sell decisions for clients' portfolios, along with broader portfolio construction considerations, are taken together by the group of six. This collegiate approach means that each holding has been subject to the full scrutiny of the team. The focus of team discussions is on the context of the valuations of the prospective and existing investee companies – including the rest of the portfolio, the investment universe and overseas peers – and on the assumptions behind the upside that is calculated by the Investment Managers for each stock.

Engagement

An important component of the investment process is regular engagement with board members and management of prospective and existing investee companies. Engagement is purposeful, discreet and constructive, with the overarching objective of improving investment outcomes. The well-resourced investment team allows for regular and meaningful engagement. Topics of engagement comprise anything that materially affects valuations and shareholders rights, including capital allocation, M&A terms, equity issuance, dividend policy and board change.

Engagement includes regular updates with executive directors and encompasses meetings with non-executives. There is a particular focus on the chair since that role is paramount within the UK's corporate governance structure. Aberforth Partners emphasises to chairs the importance of timely and meaningful consultation if a board is considering a course of action that affects shareholders.

Aberforth Partners is willing to take significant stakes in investee companies across its client base. By way of illustration, at 30 April 2024 there were 25 stakes where clients' combined holdings were above 10 per cent. of a company's issued share capital. This can increase the influence of the Investment Managers when engaging with the boards of investee companies. In addition, the Investment Managers are prepared to be taken inside for extended periods, which indicates the commitment to responsible stewardship and which can be helpful to investee companies.

ESG integration

The Investment Managers integrate consideration of ESG factors into the investment process. Anything that affects the value of an investee company is relevant and, depending on the significance of its impact, may be the subject of engagement with an investee company's board. The Investment Managers believe that a company's system of corporate governance is crucial to how its environmental and social policies are designed and implemented. They also believe that investment returns can be enhanced by investment in and engagement with companies whose valuations are affected by ESG challenges and which are already seeking to address them or can be encouraged to do so. Except when requested by clients, the Investment Managers do not exclude investments from portfolios on the basis of ESG matters alone and will invest in any constituent of its investment universe as long as the risks affecting it, ESG or otherwise, are reflected in its stock market valuation together with an adequate margin of safety.

6. THE COMPANY'S INITIAL INVESTMENT PORTFOLIO

As at 22 May 2024, the number of investments in ASLIT's underlying equity portfolio was 68. The smallest holding represented approximately 0.1 per cent. of ASLIT's portfolio and the largest holding represented approximately 3.9 per cent. The weighted average market capitalisation of the stocks in ASLIT's portfolio as at 30 April 2024 was £739 million. ASLIT's portfolio will continue to be actively managed over the remainder of its planned life in accordance with its investment policy and strategy. As part of the Scheme and the Offer Issue, on the basis of the Assumptions, on Admission the Company will acquire the ASLIT Rollover Portfolio and all or part of the Remaining ASLIT Portfolio. It is expected that 65 securities, amounting to 98.25 per cent. of the value of the Company's portfolio on Admission (on the basis of the Assumptions), will meet the definition of small UK quoted companies.

It is therefore expected that the Company's initial portfolio will be spread across the majority of sectors with the largest exposures to Industrials and Consumer Discretionary given the current weightings in ASLIT's underlying equity portfolio, the current valuations and the projected outlook for these sectors.

As at 22 May 2024 (the latest practicable date prior to the publication of this document), ASLIT's equity portfolio FTSE Industry breakdown was as follows:

FTSE Industry	Percentage of ASLIT's equity portfolio (%)
Technology	4.8
Telecommunications	—
Health Care	—
Financials	18.1
Real Estate	5.6
Consumer Discretionary	19.1
Consumer Staples	4.4
Industrials	32.7
Basic Materials	10.9
Energy	2.8
Utilities	1.6
Total	100

In constructing and managing the Company's investment portfolio, the Investment Managers will seek to take advantage of the significant recovery potential of UK equities in general and small UK quoted companies in particular, and with the aim of delivering an attractive yield.

It is expected that one holding will have a market capitalisation above that of the companies in the DNSCI (XIC). The Board, together with the Investment Managers, believes that this holding should be transferred as part of the Scheme to the Company and held by the Company for the time being. In accordance with the Company's investment policy, no more than 15 per cent. of investments will be held in companies which do not meet the definition of small UK quoted companies.

7. INVESTMENT OPPORTUNITY

The Scheme and the Placing and Offer for Subscription provide investors (including, but not limited to, ASLIT Shareholders) with the opportunity to invest in a split capital investment trust which is managed by Aberforth Partners and whose portfolio from launch is broadly similar to ASLIT's portfolio principally comprising a diversified range of small UK quoted companies as well as cash and other assets.

The Board believes that small UK quoted companies have the potential to generate capital and dividend growth, and to provide a positive total return over the medium to long term. The ZDP Shares are expected to offer fixed capital growth of 7.0 per cent. per annum to provide a Final Capital Entitlement of 160.58 pence per ZDP Share on the Planned Winding Up Date of 30 June 2031. The Ordinary Shares are expected to provide investors with the prospect for income and capital growth and with an attractive dividend yield, but owing to the structural gearing provided by the ZDP Shares they should be regarded as carrying above average risk. Further details in relation to the investment opportunity are set out in Part 3 of this document.

8. INVESTMENT OBJECTIVE AND POLICY

Investment objective

The Company's investment objective is to provide Ordinary Shareholders with high total returns, incorporating an attractive level of income, and to provide ZDP Shareholders with a pre-determined Final Capital Entitlement of 160.58 pence on the Planned Winding Up Date of 30 June 2031.

Investment policy

The Company aims to achieve its objective by investing in a diversified portfolio of securities issued by small UK quoted companies. Small UK quoted companies are those having a market capitalisation, at the time of investment, equal to or lower than the largest company in the bottom 10 per cent., by market capitalisation, of the London Stock Exchange's Main Market or companies in the Deutsche Numis Smaller Companies Index (Excluding Investment Companies) ("DNSCI (XIC)"). As at 1 January 2024 (the date of the last annual DNSCI (XIC) rebalancing), the DNSCI (XIC) included 353 companies, with an aggregate market capitalisation of £143 billion. Its upper market capitalisation limit was approximately £1.7 billion, although this limit changes owing to movements in the stockmarket.

If any holding no longer satisfies this definition of a small UK quoted company its securities become candidates for sale unless the Investment Managers determine that the Company's investment objective would be better served by its retention. For the avoidance of doubt, such retained securities would be eligible for further investment. Notwithstanding the above, the Investment Managers would not normally expect more than 15 per cent. of Total Assets to be invested in a combination of: (i) securities issued by small UK quoted companies that are neither securities with equity rights, nor convertible into such securities; and/or (ii) holdings in companies that satisfied the definition of a small UK quoted company at the time of initial investment but no longer do so and that are not categorised as candidates for sale.

It is intended that a diversified portfolio will be maintained at all times and the single largest investment will not exceed 15 per cent. of Total Assets at the time of investment. In practice each exposure will be substantially less and, at market value typically each exposure is expected to represent less than 5 per cent. of Total Assets on an on-going basis. The Board expects that this approach will normally result in a portfolio comprising holdings in between 50 and 100 companies.

Investment will only be made in companies with securities traded on the Main Market or, in limited circumstances, in AIM listed investments. AIM listed investments will only be held in the Company's portfolio if (a) an AIM listed company has given a formal commitment to move to the Main Market, (b) an existing investee company has moved its listing from the Main Market to AIM, or (c) an AIM listed company has acquired an existing holding in the Company's portfolio with part of the consideration being shares of the acquiring company.

The Company will not invest in securities issued by other UK listed closed-ended investment funds except where they are eligible to be included in the DNSCI (XIC). In any event, the Company will invest no more than 15 per cent. of Total Assets in other listed closed-ended investment funds.

The Company will aim to be near to fully invested at all times. There will normally be no attempt to engage in market timing by holding high levels of liquidity though due consideration will be given to liquidity requirements as the Company nears the end of its Planned Life. At this time, management initiatives may include, for example, holding an increased cash position and/or investing in UK Governments bonds and/or exchange traded funds.

The Company has a policy to maintain total gearing, including the ZDP Shares, below the total of: (i) the accrued capital entitlement of the ZDP Shares from time to time; plus (ii) 5 per cent. of its Total Assets at the time of drawdown. The Directors have delegated responsibility to the Investment Managers for the operation of the Company's overdraft and working capital facilities within the above parameters.

The Company does not intend to utilise any bank borrowings other than short term overdraft or working capital facilities. The Directors expect that, in normal market conditions, bank borrowings will not exceed 2.5 per cent. of Total Assets at the time of drawdown. The Articles limit the level of such bank borrowings to a maximum of 5 per cent. of Total Assets at the time of drawdown.

Changes to the investment policy

No material change will be made to the investment policy without the prior approval of the FCA and of Shareholders by ordinary resolution at a general meeting.

In the event of a breach of the investment policy set out above and the gearing restrictions set out therein, the Investment Manager shall inform the Board without delay and, if the Board considers the breach to be material, notification will be made through a Regulatory Information Service announcement.

9. INVESTMENT STRATEGY

The Investment Managers adhere to a value investment philosophy. While there can be extended periods when the value investment style is out of favour, there is compelling evidence that the value approach within small UK quoted companies has resulted in superior returns to those of the DNSCI (XIC) as a whole over the long term.

In valuing businesses, the Investment Managers place emphasis on the ratio of total enterprise value (which is the market capitalisation of the small UK quoted company adjusted for the average debt or cash level of such company) to the earnings before interest, tax and amortisation that the company

generates (known as the EV/EBITA ratio). The Investment Managers also utilise other valuation metrics, recognising that flexibility is required when assessing businesses in different industries and that buyers of these businesses may include other corporates as well as stockmarket investors. As a result of the value investment philosophy, the average valuation metrics of the Company's holdings will usually be more modest than those of the DNSCI (XIC), the investment universe.

10. DIVIDEND POLICY

The Company's policy is to distribute a significant proportion of its net revenue (after payment of expenses and taxation) in the form of dividends paid in Sterling to Ordinary Shareholders. As an investment trust the Company must not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income for such accounting period. Ordinary Shareholders are entitled to receive all such dividends. The holders of the ZDP Shares are not entitled to receive dividend payments.

The Directors anticipate that, on the basis of the Assumptions and in the absence of unforeseen circumstances, the Company will target total dividends in the range of 4.0 and 5.0 pence per Ordinary Share, in respect of the period from Admission to 30 June 2025. Payment in respect of these dividends is expected to be made by the Company to Ordinary Shareholders in March and in August 2025.

Thereafter, the level of dividends will be based on dividends paid by investee companies in the Company's underlying portfolio. The Company's dividends are expected to be paid half-yearly normally in March and August in respect of each financial year. There are no assurances that such future dividends will be paid or that the Company will pay any dividends.

The anticipated dividend range in the period from Admission to 30 June 2025 stated above is a target only and not a profit forecast. This target has been developed on the basis of the Assumptions and with respect to future business decisions and conditions that are subject to change, including borrowing, the Company's execution of its investment objective and strategies, as well as growth in the sector and markets in which the Company operates. As a result, the Company's actual results may vary from the target set out above and those variations may be material. The Company does not undertake to publish updates as to its progress towards achieving this target (as it may be affected by events or circumstances existing or arising after the date of this Prospectus) or to reflect the occurrence of unanticipated events or circumstances. There can be no assurance that this target will be met and it should not be taken as an indication of the Company's expected future results. Accordingly, potential investors should not place any reliance on this target in deciding whether or not to invest in the Company and should decide for themselves whether or not the anticipated dividend is reasonable or achievable.

11. GEARING

Total gearing

The Company has a policy to maintain total gearing, including structural gearing provided by the ZDP Shares and bank borrowings, below the total of: (i) the accrued capital entitlement of the ZDP Shares from time to time; plus (ii) 5 per cent. of its Total Assets at the time of drawdown.

Structural gearing

The Company's capital structure is such that the underlying value of assets attributable to the Ordinary Shares is geared by the rising capital entitlements of the ZDP Shares. The Ordinary Shares are therefore geared by the ZDP Shares in a ratio of 8:3.

Bank borrowings

The Company does not intend to utilise any bank borrowings other than short term overdraft and/or working capital facilities. The Directors expect that, in normal market conditions, bank borrowings will not exceed 2.5 per cent. of Total Assets at the time of drawdown. The Articles limit the level of such bank borrowings to a maximum of 5 per cent. of Total Assets at the time of drawdown. The Directors have delegated responsibility to the Investment Manager for the operation of the Company's overdraft and working capital facilities within the above parameters.

Leverage exposure in accordance with the UK AIFMD Laws

The Company has appointed Aberforth Partners as its AIFM. In accordance with the UK AIFMD Laws, the Company's maximum leverage limits are expected to be 1.05:1 (expressed as a ratio to the Company's Net Asset Value) under both the commitment method and the gross method. In summary the gross method measures the Company's exposure before applying hedging or netting arrangements. The commitment method allows certain hedging or netting arrangements to be offset. The ZDP Shares are part of the share capital of the Company and are not considered as borrowings under the UK AIFMD Laws.

12. DERIVATIVES

Subject to the prior approval of the Board, the Investment Managers may use derivative instruments, such as financial futures, exchange traded funds, and options, for the purpose of efficient portfolio management. The Board's current expectation is that derivatives will rarely be used, if at all.

13. DURATION OF THE COMPANY

The Company has a Planned Life lasting until 30 June 2031 and the Directors are required by the Articles to convene a general meeting of the Company on or within the three months prior to 30 June 2031, at which a special resolution will be proposed to wind up the Company voluntarily by not later than the Planned Winding Up Date. As these arrangements are designed to ensure that the ZDP Shareholders will be entitled to realise their investment, weighted voting provisions shall apply in respect of this resolution so as to ensure that this resolution will be passed if any Shareholder votes in favour. However, before this date, the Directors will examine means whereby holders of Ordinary Shares may effectively continue their investment in a tax efficient manner while allowing the ZDP Shareholders to realise their investment. The Directors may be released from the obligation to call a general meeting if a special resolution has been passed to that effect not later than 30 June 2031.

14. SHARE CAPITAL

The Company will have two classes of Shares in issue: the Ordinary Shares and the ZDP Shares. Following Admission, the Ordinary Shares and the ZDP Shares will be listed on the premium and the standard segments of the Official List, respectively, and traded on the London Stock Exchange's Main Market.

Ordinary Shares and ZDP Shares will be issued in a 8:3 ratio under the Issues. In order for the Proposals to be implemented, the aggregate minimum number of Ordinary Shares and ZDP Shares that is required to be subscribed under the Placing and Offer for Subscription and/or elected or deemed to have been elected for under the ASLIT Scheme, respectively, is 54.5 million Ordinary Shares and 20.5 million ZDP Shares.

The principal characteristics of each class of Shares are set out below. The statistics which are contained in the following paragraphs are illustrative and are not intended to act as forecasts of future growth and in no way guarantee returns on an investor's investment in either the Ordinary Shares or the ZDP Shares.

14.1. The Ordinary Shares

General

The Company's objective is to provide Ordinary Shareholders with high total returns, incorporating an attractive level of income. Ordinary Shareholders are entitled, on a winding up, to receive undistributed revenue reserves of the Company in priority to the capital entitlements of the ZDP Shareholders. Ordinary Shareholders are also entitled to the net assets of the Company after all liabilities of the Company have been settled and the entitlements of the ZDP Shares have been met in full.

Income

All income earned by the Company is attributable to the Ordinary Shares. Ordinary Shareholders are entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares that they hold.

The level of dividends will be influenced by the dividends paid by the investee companies in the Company's underlying portfolio.

Structural gearing

Given that the Ordinary Shares are geared by the ZDP Shares, they should be regarded as carrying above average risk. The ratio of Ordinary Shares to ZDP Shares, on Admission, will be 8:3.

Capital

The Ordinary Shareholders are entitled to the net assets of the Company on a winding-up, after all liabilities of the Company have been settled and the entitlements of the ZDP Shares have been met in full. On the basis of the Assumptions, it is expected that the capital value of the Company's portfolio would need to increase at a rate of 3.0 per cent. per annum over the Planned Life of the Company to return an amount equal to the Issue Price of 100 pence per Ordinary Share to the Ordinary Shareholders on the Planned Winding Up Date. On the basis of the Assumptions, the capital value of the Company's portfolio would need to fall at a rate of 10.3 per cent. or more per annum over the Planned Life of the Company for the holders of Ordinary Shares not to be entitled to any capital entitlement on the Planned Winding Up Date.

Illustrative returns

On the basis of the Assumptions, the following table illustrates the terminal net asset value and the redemption yield for a holder of Ordinary Shares based on the Issue Price of an Ordinary Share of 100 pence for different rates of portfolio capital growth. These figures are illustrative only and are not intended to act as forecasts of future growth and are not guaranteed.

Capital Growth (per annum)	Ordinary Share Redemption Yields Dividend Growth (per annum)				Terminal NAV (pence per Ordinary Share)
	0.00%	2.50%	5.00%	7.50%	
-10.0%	(20.2)%	(18.7)%	(17.3)%	(15.8)%	1.29
-7.5%	(12.8)%	(11.9)%	(10.9)%	(9.9)%	14.57
-5.0%	(7.5)%	(6.8)%	(6.1)%	(5.3)%	30.21
-2.5%	(3.1)%	(2.5)%	(2.0)%	(1.4)%	48.54
0.0%	0.8%	1.2%	1.7%	2.2%	69.93
2.5%	4.4%	4.7%	5.1%	5.6%	94.80
5.0%	7.7%	8.0%	8.4%	8.7%	123.61
7.5%	10.9%	11.1%	11.5%	11.8%	156.86
10.0%	13.9%	14.2%	14.4%	14.7%	195.12
15.0%	19.8%	20.0%	20.2%	20.5%	289.15

Voting

Ordinary Shareholders are entitled to vote at general meetings of the Company. Each Ordinary Shareholder has one vote on a show of hands and, on a poll, one vote for every Ordinary Share held. The rights of Ordinary Shareholders to vote on certain resolutions on the winding-up, reconstruction or reorganisation of the Company are subject to the restrictions set out in the Articles which are summarised in paragraph 12 of Part 9 of this document.

Full details of the rights attaching to the Ordinary Shares are set out in paragraph 12 of Part 9 of this document.

14.2. The ZDP Shares

General

The Company's objective is to provide ZDP Shareholders with a pre-determined level of capital return on the Planned Winding Up Date.

Income

The holders of ZDP Shares are not entitled to receive any dividend payments.

Capital

The ZDP Shares have a Final Capital Entitlement of 160.58 pence per ZDP Share on the winding up of the Company on the Planned Winding Up Date.

The Final Capital Entitlement represents a Gross Redemption Yield of 7.0 per cent. per annum over the life of the ZDP Shares, based on the Issue Price of 100 pence per ZDP Share pursuant to the Issues. Under current legislation, any increase from the Issue Price to the final capital entitlement should be treated as a capital gain for tax purposes. For further information in relation to taxation, see Part 8 of this document.

The Cover of the ZDP Shares

On the basis of the Assumptions, on Admission the ZDP Shares will have an initial Cover per ZDP Share of 2.0 times.

Illustrative returns

The table below illustrates, based on the Assumptions, the final capital entitlement for ZDP Shareholders who retain their ZDP Shares from Admission until the Planned Winding Up Date, showing the potential effect of different rates of capital growth in the Company's portfolio. Prospective investors should note that, based on the Assumptions, the final capital entitlement would not be repaid in full on the Planned Winding Up Date if the capital value of the Company's portfolio falls at a rate of 10.3 per cent. or more per annum over the period to the Planned Winding Up Date. The holders of ZDP Shares would not be entitled to any final capital entitlement if the capital value of the Company's portfolio falls by 50.2 per cent. or more per annum over the period to the Planned Winding Up Date.

Illustrative projected final capital entitlement and implied redemption yield

<i>Portfolio capital growth (compounded per annum)</i>	-50.2%	-10.3%	-5%	0%	5%
<i>Final capital entitlement (pence per ZDP Share)</i>	0.00	160.58	160.58	160.58	160.58
<i>Implied Gross Redemption Yield based on the Issue Price</i>	N/A	7.0%	7.0%	7.0%	7.0%

Voting

The holders of ZDP Shares will not normally be entitled to vote at general meetings of the Company. However, they will have a right to vote in certain limited circumstances and their separate approval as a class will be required for certain proposals which would be likely to affect their position materially.

Full details of the rights attaching to the ZDP Shares are set out in paragraph 12 of Part 9 of this Prospectus.

14.3. Distributions out of the Company's capital reserves

The Directors have the ability under the Articles to make distributions out of capital, including any special reserve arising out of the cancellation of any share premium account, to Ordinary Shareholders provided always that the Cover of the ZDP Shares (calculated as at the latest practicable date in accordance with the Articles) would not, immediately following such capital distribution, be less than 2.0 times.

14.4. Purchase of Shares of the Company

The Directors have authority to buy back-up to 14.99 per cent. of each class of Shares in issue, following Admission. Although the Board are not currently expecting to carry out buy-backs, they will consider seeking renewal of this authority from Shareholders at each annual general meeting of the Company and at other times should this prove necessary. Any buy-back of Shares will be made subject to the Companies Act and within guidelines established from time to time by the Board and the making and timing of any buy-backs will be at the absolute discretion of the Board. Such buy-backs will also only be made in accordance with the Listing Rules which provide that the price to be paid must not be more than the higher of (i) five per cent. above the average of the middle market quotations of that class

of Share for the five Business Days before the buy-back is made, or (ii) the higher of the price of the last independent trade and the highest current independent bid for that class of Shares, nor less than the nominal value of the relevant Share.

The Company will require the sanction of a special resolution of the ZDP Shareholders passed at a separate meeting of such ZDP Shareholders to authorise the buy-back of any Ordinary Shares where the Cover of the ZDP Shares (calculated as at the latest practicable date in accordance with the Articles) would, immediately following such buy-back, be less than 2.0 times.

The Company will be permitted to hold Shares acquired by way of market purchase in treasury, rather than having to cancel them. Such Shares may be subsequently cancelled or sold for cash.

14.5. Share premium account

The Company intends to cancel the amount standing to the credit of its share premium account following Admission and the reserve created on such cancellation will be available as distributable profits to be used for all purposes permitted by the Companies Act and article 3(4) of The Companies (Reduction of Share Capital) Order 2008 including by way of dividend, from this reserve, to the Ordinary Shareholders and to fund the buy-back of Shares provided, in both cases, that the Cover of the ZDP Shares (calculated as at the latest practicable date in accordance with the Articles) does not fall below 2.0 times immediately following the distribution or the buy-back from this reserve.

14.6. Further issues of Shares

The Directors have authority to allot up to an aggregate nominal amount equal to 20 per cent. of each of the Ordinary Shares and the ZDP Shares in issue following Admission of the Ordinary Shares and exercisable in the period up to the first annual general meeting of the Company. The provisions of the Companies Act that would confer pre-emption rights have been disapplied in respect of the allotment or transfer out of treasury of Ordinary Shares with an aggregate nominal amount equal to 20 per cent. of the Ordinary Shares in issue following Admission and in respect of the allotment or transfer out of treasury of ZDP Shares with an aggregate nominal amount equal to 20 per cent. of the ZDP Shares in issue following Admission, in each case for the period up to the first annual general meeting of the Company. Any further issues of Shares will be made in accordance with the Listing Rules and the Prospectus Regulation Rules.

The Board intends that, unless authorised by Ordinary Shareholders, it will only exercise its power to allot and issue Ordinary Shares and/or ZDP Shares where such Shares are trading at a premium to their respective most recently calculated Net Asset Value per Share without first offering such Shares on a *pro rata* basis to Shareholders of the relevant class of Share.

The Company will require the sanction of a special resolution of the ZDP Shareholders passed at a separate meeting of such ZDP Shareholders to authorise: (i) the issue of any shares ranking as to capital in priority to the ZDP Shares; or (ii) the issue of any shares ranking as to capital *pari passu* with the ZDP Shares save where the Cover of the ZDP Shares (calculated as at the latest practicable date in accordance with the Articles and adjusted to take into account the change in the issued share capital) does not reduce below 2.0 times immediately following the *pari passu* issue. The amount and timing of any allotment and issue of new Shares will be at the absolute discretion of the Board (save that the Board will operate within the powers conferred by, and the restrictions contained in, the Companies Act and the Articles).

15. NET ASSET VALUE CALCULATIONS AND VALUATION POLICY

The Net Asset Value is the value of all assets of the Company less liabilities (including provisions for such liabilities). The Net Asset Value per Ordinary Share is the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue at the relevant time (excluding any Ordinary Shares held in treasury). The Net Asset Value per ZDP Share is the Net Asset Value attributable to the ZDP Shares divided by the number of ZDP Shares in issue at the relevant time (excluding any ZDP Shares held in treasury).

An unaudited Net Asset Value for each class of Share will be calculated by the Investment Manager and issued by the Investment Manager on a daily basis, as described below. The Net Asset Value per Ordinary Share and the Net Asset Value per ZDP Share will be notified on each Business Day through a Regulatory Information Service and will also be published on the Company's website at <https://www.aberforth.co.uk>

The Company will invest, in accordance with its investment policy, in small UK quoted companies with a view to profiting from their total return in the form of capital growth and income. The Company's portfolio is managed, and its performance will be evaluated, on a total return basis in accordance with its investment policy and strategy.

The relevant Net Asset Value per Share will be determined on a daily basis, with a valuation day being a Business Day. Upon initial recognition, the investments will be designated by the Company as 'financial assets held at fair value through profit or loss'.

Quoted investments will be valued at their fair value, represented by the bid price sourced by the Investment Manager from an external independent pricing vendor and checked against an alternative external independent pricing source. Where trading in securities of an investee company is suspended, the investment will be valued at the Board's estimate of its fair value and this will be reviewed regularly by the Audit Committee and the Investment Manager.

Purchases and sales of investments will be accounted for on the trade date. Gains and losses arising from changes in fair value will be included in the capital return for the period, and transaction costs on acquisition or disposal of security will be charged as expenses to the capital reserve.

The Net Asset Value will not be calculated (or may be delayed in publication) in circumstances where, for example, the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations (or any delay in publication as the case may be) will be announced through a Regulatory Information Service.

16. MEETINGS, REPORTS AND ACCOUNTS

The Company expects to hold its first annual general meeting in October 2025 and will then hold an annual general meeting each year thereafter. The annual report and accounts of the Company will be made up to 30 June in each year with copies being made available to Shareholders within the following four months. The first annual report will be prepared to 30 June 2025. The Company will also publish unaudited half-yearly reports covering the six months to 31 December each year and copies of the unaudited half-yearly reports will be made available on the Company's website (in accordance with the Companies Act) within the following three months.

The accounting policies of the Company have been determined by the Board after considering all material factors and, in particular, the possibility for conflicts of interest to arise between the Ordinary Shareholders and the ZDP Shareholders. The financial statement of the Company will be prepared in compliance with UK GAAP presented, in Sterling, under FRS 102 and in accordance with the AIC's Statement of Recommended Practice: "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (SORP).

One of the main accounting policies is that investment management fees (and any costs (including interest payments) relating to short-term overdraft or working capital facilities which may be put in place) will be charged 70 per cent. to the capital account and 30 per cent. to the revenue account. The Company's other annual operating expenses will be charged 100 per cent. to the revenue account.

The Board reserves the right to alter the Company's accounting policies during the life of the Company. The Board intends only to make changes to the Company's accounting policies once it has considered the interests of both the Ordinary Shareholders and ZDP Shareholders. However, in some circumstances, the Board realises that the interests of the Ordinary Shareholders and the ZDP Shareholders may conflict. In certain situations, which cannot be determined at the date of this Prospectus, circumstances may arise where the Board may find it impossible to meet fully the expectations of the Ordinary Shareholders and the ZDP Shareholders when considering amendments to the Company's accounting policies. In such circumstances the Board recognises that it must act in such a way as it considers to be fair, reasonable and equitable to both classes of Shareholder (whilst still having regard to the entitlements of each class of Shares under the Articles).

Any on-going disclosures required to be made to Shareholders pursuant to the UK AIFMD Laws and the EU AIFM Directive (where applicable) will be contained in the Company's periodic or annual reports or on the Company's website, or will be communicated to Shareholders in written form as required.

17. TAXATION

The Directors intend to seek HMRC approval for the Company as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2, Chapter 1 of the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Directors intend to conduct the affairs of the Company in such a manner so as to satisfy the requirements to be met by an approved investment trust under section 1158 of the Corporation Tax Act 2010 and Chapter 3 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011 on an on-going basis.

As an approved investment trust the Company will be exempt from UK taxation on any capital gains for each accounting period on an on-going basis, other than to the extent that the Company commits a serious breach of one of the requirements. However, the Company will remain liable to UK corporation tax on its income (excluding, in general, dividend income) in the normal way.

A guide to the general UK taxation position of the Company and a Shareholder as at the date of this Prospectus is set out in Part 8 of this Prospectus.

If you are in any doubt as to your taxation position, or are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.

18. UK MAR AND THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

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

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

PART 3

THE INVESTMENT OPPORTUNITY AND OUTLOOK

1. INTRODUCTION

The Directors, together with the Investment Managers, believe that the following five factors are supportive of the Company's investment opportunity, the gearing of the Ordinary Shares and the outlook over its seven year planned life.

1.1 *The resilience of small UK quoted companies*

Owing to the UK recession in the second half of 2023 and to the lingering effects of the Pandemic, the profits of small UK quoted companies are presently depressed. This can be seen through analysis as at 31 January 2024 of the companies closely tracked by the Investment Manager in the DNSCI (XIC), which are known as the "Tracked Universe". Since 2019, approximately 36 per cent. of the companies in the Tracked Universe have grown earnings above the 8 per cent. trend growth rate that was evident between 2015 and 2019. Meanwhile 45 per cent. of the companies in the Tracked Universe had cyclically depressed or below trend profits at the end of 2023. It is this cohort of companies offers significant recovery potential, which could drive investment returns as their earnings normalise over time.

The investment returns that can potentially accompany a cyclical normalisation of profits are illustrated by the early 1990s recession, which was caused by inflation and the monetary policy reaction to it. Over the three years to the end of 1993, the profits of small UK quoted companies declined by around 20 per cent. However, as the stockmarket anticipated a cyclical upturn, the total return from the asset class in the same period was 78 per cent.

At present, while the stockmarket looks for an upturn in profits, the Board and the Investment Managers are reassured by the balance sheet and cash flow characteristics of the investment universe of small UK quoted companies. Around 35 per cent. of the Tracked Universe is represented by companies with net cash on their balance sheets, while only around 15 per cent. is accounted for by companies with ratios of net debt to EBITDA above three times. Moreover, companies in ASLIT's portfolio with defined benefit pension schemes are seeing their funding positions improve owing to the beneficial impact of higher bond yields on deficits. Consequently, cash top-ups into pension schemes are tending to decrease, boosting free cash flow, and several companies have been able to achieve a full de-risking of their pension schemes. These characteristics should mitigate the effect of the economic cycle on profits, reduce the need for equity issues and support dividends.

1.2 *The income differentiation between larger companies and small UK quoted companies*

The Investment Managers believe that the income characteristics of small UK quoted companies ("small cap income") are under-appreciated, which means that income funds tend to focus on larger companies. The following three factors differentiate small cap income and contribute to the strength and relevance of the Company's investment proposition.

- *Superior long term growth.* Since Aberforth Partners' inception in 1990 to the end of 2023, the compound annual growth rate ("CAGR") of dividends from the DNSCI (XIC) was 4.6 per cent., which compares favourably with that of the 3.2 per cent. for the FTSE All-Share Index.
- *Lower income concentration.* In the 12 month period to 30 April 2024, the top five dividend payers in the FTSE All-Share Index accounted for approximately 34 per cent. of the total dividends paid by companies in the FTSE All-Share Index, which compares favourably to just 18 per cent. of the total dividends paid by companies in the DNSCI (XIC) being paid by the top five dividend payers in the DNSCI (XIC).
- *A quick recovery from the Pandemic.* According to the London Business School, the dividends paid by small UK quoted companies fell by approximately 45 per cent. in 2020 as a result of the Pandemic, the worst decline on record. However, the recovery was quick since small cap income returned above its pre-Pandemic level in 2022. In contrast, large company dividends had not recovered their pre-Pandemic levels by the end of 2023.

The Investment Managers believe that there is scope for the income performance of the Company to be boosted through the process of “yield roll”. This results from the option to realise holdings in stocks whose yields have declined owing to good share price performance and reinvest in higher yielding stocks.

1.3 **Aberforth Partners’ value investment style**

The Investment Managers have consistently followed a value investment philosophy, which sets them apart from most other managers in the small company arena. Since Aberforth Partners’ inception in 1990 and over the DNSCI (XIC)’s history back to 1955, the value style has out-performed the DNSCI (XIC) as a whole. There have been two notable periods of under-performance for the value style: first during the technology bubble at the turn of the century, and then in the decade of low inflation and low bond yields after the global financial crisis. Since the recovery from the Pandemic started in late 2020, higher inflation has caused interest rates and bond yields to rise. In turn, these have challenged the high valuations of growth companies and boosted the fortunes of the value style. The Investment Managers believe that their value style can continue to benefit their clients’ investment returns, given that the outlook for inflation and interest rates remains uncertain and that valuations of small UK quoted companies are unusually low.

1.4 **The projected valuation recovery**

The portfolios managed by Aberforth Partners currently have unusually low valuations, which the Investment Managers believe are the basis of good future investment returns. The following factors describe a “triple discount”, which presents an opportunity for such managed portfolios at 30 April 2024.

- *There is general apathy towards the UK’s economy, politics and stockmarket.* This has been influenced by Brexit and by a relatively lacklustre economic performance since the Pandemic. Outflows from UK equity funds have exacerbated the situation. However, economic data have been revised to cast the UK’s economy in a more favourable light and the Investment Managers understand that companies have adjusted to life outside the European Union. Nevertheless, sentiment remains negative, which contributes to the first discount. As at 30 April 2024, the price earnings ratio of the UK stockmarket, represented by the FTSE All-Share index, was 23 per cent. lower than Panmure Gordon’s calculation of the price earnings ratio of world ex UK equities. Since 1990, this discount has averaged 4 per cent.
- *Concern about liquidity and sensitivity to the economic cycle is affecting stockmarket sentiment to small UK quoted companies.* This has influenced the second discount. The Investment Managers calculate that at 30 April 2024 the price earnings ratio of small UK quoted companies is 14 per cent. below that of larger companies. Since 1990, this discount has averaged 11 per cent. The Investment Managers believe that the cyclical concern overlooks the resilience of smaller companies described previously in paragraph 1.1, while history suggests that investors in smaller companies are rewarded for taking on illiquidity risk through superior investment performance over time.
- *The Investment Managers’ value investment philosophy tends to mean that the valuations of their portfolios are lower than those of smaller companies in general.* As an illustrative example, Aberforth Smaller Companies Trust plc (founded in 1990 and is Aberforth Partners’ longest standing client), had, as at 30 April 2024, a price earnings ratio of 14 per cent. lower than that of smaller companies, which is the third discount. Since 1990, this discount has averaged 11 per cent.

The combination of these discounts means that the valuation opportunity for the portfolios managed by Aberforth Partners is towards its most attractive since 1990. There is historical evidence that the chance of achieving superior medium term investment returns is higher when starting valuations are low. The Investment Managers believe that these discounts will narrow over time as valuations normalise.

1.5 **Continued mergers and acquisition activity (“M&A”)**

The low valuations of UK equities are attracting M&A interest from larger companies, both overseas and domestic, and from private equity. The higher borrowing costs of recent years have not curtailed takeover activity, which reflects the attractiveness of the targets and, given the depressed valuations, the ability for private equity to fund deals without using debt.

- The Investment Managers calculate that as at 30 April 2024 there have been 37 deals completed or announced for constituents of the DNSCI (XIC) since 31 December 2021. Of these, 14 have been holdings of Aberforth Partners' clients.
- The bid prices of the 37 deals have on average been 51 per cent. above the share prices prevailing before announcement of the deals. This is approaching twice what the Investment Managers consider to have been a typical control premium over time. The high recent control premium is due to the low valuations presently accorded to small UK quoted companies.
- The average current year EV/EBITDA multiple of the 37 deals has been 11.0x, which compares with an EV/EBITDA multiple of 5.8x for ASLIT's portfolio as at 30 April 2024. This is another illustration of the anomalously low valuations of small UK quoted companies at the present time.

Until a widespread revaluation of companies within the DNSCI (XIC) happens, takeover activity is likely to continue. This is an obvious means through which the many value opportunities that characterise the Investment Managers' portfolios can be realised.

The Investment Managers do not support approaches for investee companies if the valuations offered by the bidders are inadequate. Where appropriate, Aberforth Partners engage in the takeover process to improve the terms for the target company's shareholders. Timely consultation by the board of the target company with its shareholders can help in this process and the Investment Managers make it clear that they expect to be consulted.

PART 4

DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY

1. THE DIRECTORS

The Directors are responsible for the determination of the Company's investment objective and investment policy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Company's service providers. The Directors will meet at least four times per annum.

The Directors may delegate certain functions to other parties, such as the Investment Manager, the Depositary and the Registrar. In particular, The Directors have delegated responsibility for day-to-day management of the investments comprised in the Portfolio to the Investment Manager. The Investment Manager, which acts as the Company's alternative investment fund manager, is responsible for overall portfolio and risk management in relation to the Company's investments.

The Directors, each of whom is independent of the Investment Manager and non-executive, are as follows:

Angus Gordon Lennox (Chair) has an extensive knowledge of the investment industry with 23 years at Cazenove, latterly J.P. Morgan Cazenove, where he was a managing director and Head of the Investment Companies Department. He held this position until 2010 when he retired. Angus is also the executive chairman of two family businesses and chairman of The Mercantile Investment Trust plc. He is currently a director and chairman of ASLIT.

Graeme Bissett (Chair of the Audit Committee) is a chartered accountant and was a senior partner of Arthur Andersen LLP, with responsibility for its corporate finance and audit practices in Scotland from 1990 to 1998. Graeme has previously served as non-executive chairman of Macfarlane Group plc. Graeme has also previously served as finance director of international groups and as a non-executive director on a number of private and listed company boards including until this year Smart Metering Systems plc. Graeme is a non-executive director with Calnex Solutions plc and Cruden Holdings Ltd. He is a trustee of Pitlochry Festival Theatre and a member of the Strategic Advisory Group of the Scottish Government's proposed Heat in Buildings Strategy. He is currently a director and chair of the audit committee of ASLIT.

Lesley Jackson (Chair of the Management Engagement Committee) is a chartered accountant. She was the Group Chief Financial Officer ('CFO') for Stock Spirits PLC from 2011 to 2018. She has previously served as the Group CFO for William Grant & Sons, and as Group CFO of United Breweries (an Indian listed public company). She is a non-executive director of The Artisanal Spirits Company plc and also serves as a Governor on the Federation of Victoria School and Cherry Oak School, special needs schools in South Birmingham. She is currently a director of ASLIT.

Jane Tufnell (Senior Independent Director) started her career at County NatWest, firstly in corporate finance and then moving to fund management where she jointly ran the NatWest pension fund's exposure to UK smaller companies. In 1994, she co-founded Ruffer Investment Management Limited where she worked for over 20 years to build the business to an AUM of £20 billion, before leaving in 2015. Jane now has a variety of directorships including Schroders Capital Global Innovation Trust plc. She is also chairman of ICG Enterprise Trust plc and recently retired as chairman of Odyssean Investment Trust plc.

2. MANAGERIAL, SECRETARIAL, ADMINISTRATION AND DEPOSITARY ARRANGEMENTS

2.1. The investment management arrangements

Aberforth Partners LLP is a limited liability partnership incorporated in England and Wales on 21 May 2005 with registered number OC313353. The registered office of the Investment Manager is Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS. The Investment Manager is authorised and regulated by the FCA.

The Company has appointed Aberforth Partners LLP as its alternative investment fund manager in accordance with the UK AIFM Laws and has entered into the Investment Management Agreement to this end. Pursuant to the terms of the Investment Management Agreement and for the purposes of the UK AIFM Laws, the AIFM will, *inter alia*, manage the investments and other assets of the Company with the sole responsibility for the portfolio management and risk management of the assets of the Company in each case in accordance with the Company's investment policy. In particular, the Investment Manager will implement adequate risk management systems in order to identify, measure, manage and monitor appropriately all risks relevant to the Company's investment policy. The Investment Manager is regulated in the conduct of investment business by the FCA. The Investment Manager is, for the purposes of the UK AIFM Laws and the rules of the FCA, a "full scope" UK alternative investment fund manager with a Part 4A permission for managing AIFs, such as the Company.

Details of the fees and expenses payable to the Investment Manager are set out in the section of this Part 4 headed "Ongoing annual expenses".

Further details of the terms of the Investment Management Agreement are set out in paragraph 14.1 of Part 9 of this Prospectus.

2.2. Administration and company secretarial arrangements

Under the terms of the Investment Management Agreement, the Investment Manager is responsible for providing administration and company secretarial services to the Company.

2.3. Registrar

Link Group has been appointed to provide registrar and share registration services to the Company pursuant to the Registrar Agreement. Under the Registrar Agreement, the Registrar has responsibility for maintaining the register of Shareholders, receiving transfers of Shares for certification and registration and receiving and registering Shareholders' dividend payments together with related services.

Further details of the terms of the Registrar Agreement are set out in paragraph 14.5 of Part 9 of this Prospectus.

2.4. Depositary

NatWest Trustee and Depositary Services Limited has been appointed as the Company's depositary. The Depositary Agreement, which has been entered into between the Company, the Depositary and the Investment Manager provides, *inter alia*, that the Depositary will carry out the core duties which include cash management, safekeeping of the Company's assets and general oversight of the Company's portfolio. The Depositary is authorised and regulated by the FCA.

Further details of the terms of the Depositary Agreement are set out in paragraph 14.4 of Part 9 of this Prospectus.

2.5. Custodian

The Depositary is expected to delegate the provision of custody services to The Northern Trust Company. The Custodian is a UK establishment of The Northern Trust Company incorporated on 10 June 1969 with UK establishment number BR001960. The Depositary remains ultimately responsible (and liable) to the Company in respect of the provision of custody services.

2.6. Proposed Auditor

With effect from Admission, the statutory auditor to the Company will be Johnston Carmichael LLP of 7-11 Melville Street, Edinburgh EH3 7PE. Johnston Carmichael LLP is independent of the Company and registered to carry on audit work in the UK and the Republic of Ireland by the Institute of Chartered Accountants in England and Wales. Johnston Carmichael LLP's responsibility, as statutory auditor, is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards.

3. FEES AND EXPENSES

3.1. Formation and initial expenses

The formation and initial expenses of the Company are those that are necessary for the incorporation of the Company, Admission and the Issues. These expenses include fees and commissions payable under the Sponsor and Placing Agreement (including all fees, commissions and expenses payable to J.P. Morgan Cazenove), the Sponsor's fees, the Receiving Agent's fees, Admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Admission. The expenses will be written off immediately following Admission.

Aberforth Partners have agreed to contribute to the launch costs of the Company, by paying costs and fees of the Company's advisers and third party service providers incurred by the Company up to in aggregate £450,000. The Aberforth Cost Contribution is conditional on Admission and will be payable on, or shortly after, the Admission Date.

On the basis of the Assumptions if gross proceeds of £100 million are raised pursuant to the Scheme Issue, such costs and expenses to be met by the Company are estimated to be approximately £1.1 million (taking into account the Aberforth Cost Contribution). If the Minimum Subscription Amount of £75 million is raised under the Issues, the costs and expenses of, and incidental to, the formation of the Company and the Issues payable by the Company (taking into account the Aberforth Cost Contribution) will be £0.9 million and the Minimum Net Proceeds will be £74.1 million.

The costs and expenses of the Issues will be paid out of the Company's assets and will, therefore, be borne indirectly by investors. The Company will not charge investors any separate costs or expenses in connection with the Issues.

3.2. Ongoing annual expenses

Ongoing annual expenses will include the following:

- **Investment Manager**

Aberforth Partners LLP will receive a management fee, calculated and payable quarterly in advance, equal to 0.1875 per cent. of the Company's Total Assets (excluding VAT) at the end of the quarter preceding that to which the fee relates. Assuming a constant level of Total Assets, this would be equivalent to 0.75 per cent. of Total Assets over the course of a year. The management fee will be charged 70 per cent. to capital reserves and 30 per cent. to the revenue account. The management fee in respect of the period from the date of Admission to the end of the calendar quarter thereafter (expected to be 30 September 2024) will be calculated on the Total Assets on the date of Admission.

- **Registrar**

The fees payable to the Registrar are subject to a global fee arrangement of £25,000 per annum which also includes all out of pocket cash and expenses.

- **Depositary**

The Depositary, NatWest Trustee and Depositary Services Limited, will receive annual fees, payable quarterly in arrears, equal to 0.0095 per cent. of the Net Asset Value (plus VAT), determined in accordance with accounting policies and principles adopted by the Board from time to time.

- **Custodian**

The Custodian will receive annual fees, payable monthly in arrears, which will vary depending on the jurisdiction in which the assets are based and number of transactions undertaken. Although the Depositary has delegated the provision of custody services to the Custodian, the Company will be expected to pay the Custodian's fees directly.

- **Directors**

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Under the Articles, the aggregate limit of Directors' remuneration is £250,000 per annum. Angus Gordon Lennox (*Chair*) will receive an initial fee of £35,000 per annum. Graeme Bissett (*Chair of the Audit Committee*), Jane Tufnell (*Senior Independent Director*) and

Lesley Jackson (*Chair of the Management Engagement Committee*) will each receive an initial fee of £32,000 per annum.

Each of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the business of the Company. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event that such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

- ***Other operational expenses***

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit, finance costs, legal fees (including those incurred on behalf of the Company by the Investment Manager), corporate broking fees (if engaged), insurance costs, annual London Stock Exchange fees and AIC membership fees. All reasonable out of pocket expenses of the Investment Manager, the Registrar, the Company's other service providers and the Directors relating to the Company will be borne by the Company.

The Investment Manager has prepared the KIDs required under the UK PRIIPs Laws in relation to the Ordinary Shares and ZDP Shares, respectively. That regulation requires costs to be calculated and presented in accordance with detailed and prescriptive rules. The KIDs are available on the Company's website (<https://www.aberforth.co.uk/trusts-and-funds/aberforth-g geared-value-income-trust-plc>).

4. CONFLICTS OF INTEREST

4.1. Investment Manager's conflicts of interest

The Investment Manager and its officers and employees may from time to time act for other clients or manage or advise other funds which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company that are also suitable for one or more of such clients of the Investment Manager or such other funds. The Directors have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of interest.

The Investment Manager will have regard to its obligations under the Investment Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise. Having regard to these obligations, the Company may buy investments from or sell investments to other clients of the Investment Manager only on an arm's length basis. In particular, the Investment Manager will use reasonable efforts to ensure that the Company has the opportunity to participate in potential investments identified by the Investment Manager that fall within the Company's investment objective and investment policy on the best terms reasonably obtainable at the relevant time having regard to the interests of the Company. In so doing, the Investment Manager will take into consideration the appropriateness of investments for inclusion in the Portfolio, the level of uninvested cash held by the Company and the size of investments available.

In accordance with the Investment Management Agreement, in the event of a conflict between the Company and the Investment Manager, the Investment Manager is obliged to take reasonable steps to ensure that the conflict is resolved fairly, in accordance (so far as applicable in the circumstances) with applicable FCA rules. The Investment Manager is obliged to notify the Company of any actual or potential conflict of interest that it identifies in relation to the performance of its duties and shall discuss with the Company how such conflict of interest is to be managed.

In addition, the Investment Manager is responsible for calculating the Net Asset Value of the Company and also for calculating its investment management fees, payable under the Investment Management Agreement which are based on the value of the Total Assets of the Company. Therefore the higher the value of the Company's Total Assets, the higher the Investment Manager's fees.

In the light of the Company's investment policy, its portfolio will consist principally of small UK quoted companies. As stated in the Company's valuation policy, quoted investments are valued at their fair value, represented by the bid price sourced by the Investment Manager from an external, independent pricing vendor and checked against an alternative external independent pricing source. There is,

therefore, very limited subjective valuation of the Company's listed portfolio. See paragraph 15 of Part 2 for further details of the Company's valuation policy.

The Investment Manager also has internal checks in place in relation to the valuation and investment management fee calculations. This includes segregation of duties and a review of the fees by an experienced member of staff. Provisions in place to manage this conflict include an independent review of the internal control framework, including the calculation of a sample of management fees, carried out annually by an Independent Service Auditor and reported to the Board and Audit Committee. In addition, the Company's external Auditor will independently recalculate the management fees as part of the annual audit of the Company's annual report and financial statements and report its findings to the Audit Committee. The Audit Committee will review the reports from the Auditor and the Service Auditor's review of the Company's internal control framework.

4.2. Structural conflicts of interest

The different rights and expectations of the holders of Ordinary Shares and the holders of ZDP Shares may give rise to conflicts of interest between them.

Ordinary Shareholders are expected to be interested in both the revenue produced by the Company's portfolio (as this is closely linked to the amount of any dividend the Ordinary Shareholders may receive) and increases in the capital value of the Portfolio.

ZDP Shareholders are expected to have little or no interest in the revenue produced by the Portfolio save to the extent that the Company's operating costs exceed that revenue. The ZDP Shareholders are instead expected to have an interest in the capital value of the Portfolio being sufficient to repay the final capital entitlement on the ZDP Shares at the Planned Winding Up Date but can be expected to have little or no interest in any growth in capital in excess of that pre-determined amount.

Whilst the Company's investment objective and policy (as set out in Part 2 of this Prospectus) seeks to strike a balance between the interests of the Ordinary Shareholders in maximising capital growth and dividends and the interests of the ZDP Shareholders in meeting their pre-determined final capital entitlement with an appropriate level of risk, there can be no guarantee that such a balance will be achieved and maintained during the Planned Life of the Company.

Given that the Ordinary Shareholders are entitled to the net revenue profits (including any accumulated but undistributed revenue reserves) up to and including the Planned Winding Up Date, the Company may continue to pay dividends (out of the Company's net revenue profits) in circumstances where the Final Capital Entitlement of 160.58 pence per ZDP Share may not, or cannot, be met.

In circumstances where there is a major fall in the capital value of the Company's portfolio such that the final capital entitlement of the ZDP Shares is not likely to be paid at the Planned Winding Up Date but where the Portfolio is still generating revenue, there may be a material conflict of interest between the interests of the Ordinary Shareholders and those of the ZDP Shareholders. In such circumstances, the Directors expect that the Ordinary Shareholders may recognise that they have little prospect of receiving a sizeable capital return on the Ordinary Shares held by them and so may wish the Portfolio to be re-balanced in favour of high yielding investments (rather than investments providing capital returns) in the lead up to the Planned Winding Up Date. At the same time, the Directors expect that the ZDP Shareholders may wish the Portfolio to be re-balanced with a focus on investments providing higher rates of capital growth (rather than a higher income return). The Directors may find it impossible to meet fully the expectations of both the Ordinary Shareholders and the ZDP Shareholders in such circumstances and recognise that they may have to act in a manner which they consider to be fair, reasonable and equitable to both classes of Shareholder having regard to the entitlements of each class of Shares under the Articles.

If there is a material fall in the value of the Portfolio, the Company may find itself in a position where it will, in normal market conditions, be unable to repay the full final capital entitlement on each ZDP Share to the ZDP Shareholders at the Planned Winding Up Date but be able to continue to pay dividends to the Ordinary Shareholders. If the Company retains revenue (by reducing or not paying any dividends on the Ordinary Shares for any particular accounting period) it may, in any accounting period where it retains more than 15 per cent. of its income, forfeit its status as an investment trust. Forfeiting investment trust status or investment company status may adversely affect the Company's ability to pay

dividends in future accounting periods and may, in certain circumstances, cause the Company to be liable for a charge to corporation tax on chargeable gains on certain of its assets. The Directors reserve the right to forfeit investment trust and/or investment company status where they believe it is in the best interests of the Company as a whole and both classes of Shareholder to do so. The Directors will have regard to the provisions of the Articles (as well as their general duties under the Companies Act and the Listing Rules) when considering such a course of action.

5. CORPORATE GOVERNANCE

The Board of the Company has considered the principles and recommendations of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting in line with the principles and recommendations of the AIC Code, which has been endorsed by the Financial Reporting Council, will provide more relevant information to Shareholders. With effect from Admission, the Company intends to comply with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to: the role of the chief executives; executive directors' remuneration; and the need for an internal audit function. The Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not, therefore, intend to comply with them. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations.

5.1. Independence, tenure and diversity

The Board, of which Angus Gordon Lennox is Chair, consists solely of non-executive Directors that are independent of the Investment Manager. The Board will review regularly the independence of its members having due regard to the prevailing guidelines on independence issued by the AIC.

The Board does not consider the length of time served by a Director is as important as their contribution to the running of the Company or that it necessarily impairs independence. Directors do not serve on the Board for a specified period of time although the Board will be guided by the recommended principles within the UK Corporate Governance Code and the AIC Code. Each Director will be subject to the election/re-election provisions in the Articles which provide that a Director appointed during the year is required to retire and seek election by Shareholders at the annual general meeting following their appointment. More generally Directors are also required to submit themselves for annual re-election.

The Board's diversity policy recognises the importance of diversity (including skills, experience, gender, tenure and other diversity characteristics) in enabling it to fulfil the present and future needs of the Company. The policy is to seek to appoint the best person for the job. In pursuing this policy, the Board actively promotes equality and fairness and does not discriminate. The overriding aim of the policy is to seek to ensure that the Board and its committees are composed of the best combination of people to promote the success of the Company for Shareholders over the life of the Company.

The Board recognises the diversity targets set out in the FCA's Listing Rule 9.8.6R (9) and intends to report against these targets in the diversity information provided in the Company's first Annual Report and Financial Statements. The FCA's Listing Rule targets that at least 40 per cent. of individuals on its board are women and at least one of the senior board positions is held by a woman. The FCA's Listing Rule also targets that at least one individual on a board is from a minority ethnic background. The Board believes that it will operate effectively and it will monitor its effectiveness on at least an annual basis.

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

5.2. Board and Directors' performance appraisal

The AIC Code provides that the Board should undertake a formal and rigorous annual evaluation of its own performance, that of its committees and those of individual Directors. In order to review its effectiveness, the policy of the Board will be to undertake a process of formal self-appraisal, in which the Directors consider how the Board functions as a whole and also review the individual performance of its members. This process of review will be led by the Chair and will encompass qualitative and quantitative measures of performance which are determined in advance in line with prevailing good market practice.

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

5.3. Audit Committee

The Board has established an audit committee comprising Graeme Bissett, Lesley Jackson and Jane Tufnell. The terms of reference of the Audit Committee require that it meets at least two times per year. It is the policy of the Board to review these terms of reference annually. They will be available from the Company Secretary on request. Graeme Bissett is the chair of the Audit Committee.

The Audit Committee will examine the effectiveness of the Company's risk management and internal control systems. It will review the Company's annual and half-yearly financial statements, the accounting policies applied therein and ensure compliance with financial and regulatory reporting requirements. It will also review the scope and results of the audit, the effectiveness and quality of the audit process and the reports from the Auditor in relation to its review of the calculation of the investment management fees.

The Audit Committee is also responsible for reviewing and monitoring the external auditors' independence and objectivity, with particular regard to the provisions of non-audit services taking into account relevant UK professional and regulatory requirements.

5.4. Management Engagement Committee

The Company has established a Management Engagement Committee which will be chaired by Lesley Jackson and consist of all of the Directors. The Management Engagement Committee will meet at least once a year or more often if required. It will be responsible for the regular review of the terms of the Investment Management Agreement and other service provider agreements and the performance of the Investment Manager, the Company Secretary and the Company's other service providers.

5.5. Remuneration and Nomination Committee

The Company's Remuneration and Nomination Committee will consist of all the Directors and will be chaired by Jane Tufnell. The Remuneration and Nomination Committee will meet as and when required. The Remuneration and Nomination Committee's functions include: (i) agreeing the policy for the remuneration of the Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering ad hoc payments to the Directors in relation to duties undertaken over and above normal business; (iii) if required, appointing advisers to provide independent professional remuneration advice; (iv) ensuring that the Board has an appropriate balance of skills and experience to carry out its duties; (v) identifying and nominating to the Board new Directors; and (vi) proposing that existing Directors be re-elected.

The Company has appointed Jane Tufnell as the Senior Independent Director. The Senior Independent Director will provide a sounding board for the Chairman and serve as an intermediary for the other directors and Shareholders.

6. UK MAR AND THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

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

PART 5

THE ASSUMPTIONS

Save as otherwise stated, any statistics contained in this Prospectus relating to the Shares have been calculated and are based or calculated on the following principal bases and Assumptions:

1. ASLIT's total assets are £222 million and the Net Issue Proceeds pursuant to the Placing and Offer for Subscription are assumed to be £nil. For illustrative and financial calculation purposes, it is assumed gross proceeds of £100 million are raised pursuant to the Scheme Issue and 72.7 million Ordinary Shares are issued at 100 pence each and 27.3 million ZDPs are issued at 100 pence each.
2. The Company's advisory costs in relation to the Proposals are £0.3 million which takes into account the Aberforth Cost Contribution. In addition the Company will pay commission in relation to the Scheme Issue of £0.3 million, in aggregate, and stamp duty of £0.5 million on the transfer of ASLIT Rollover Portfolio and Remaining ASLIT Portfolio (to the extent applicable) to AGVIT. Accordingly, the total costs of the Issues, based on the Assumptions, are expected to represent 1.47 per cent of the Issue Price of the Ordinary Shares.
3. The pre-determined capital entitlement of the ZDP Shares on the Planned Winding Up Date is 160.58 pence per ZDP Share. The capital accrual of a ZDP Share is 7.0 per cent. per annum compounded from 1 July 2024 (with the first increment being applied on 1 July 2024) up to and including the Planned Winding Up Date and will be charged 100 per cent. to the capital account.
4. The Effective Date is 28 June 2024 and Admission will occur on 1 July 2024. The Company has a fixed life until 30 June 2031.
5. For illustrative purposes, the first interim dividend, payable each March, will be approximately 30 per cent. of the total for each year.
6. For illustrative purposes, the anticipated total dividend in respect of the period from Admission to 30 June 2025 will be in the range of 4.0 and 5.0 pence per Ordinary Share and the Company's portfolio will have a yield of 4.25 per cent. based on the value of the portfolio at Admission.
7. The Company does not issue any new Shares (other than those in respect of the Issues) nor does it repurchase any Shares during its life.
8. The annual investment management fee payable by the Company to the Investment Manager is 0.75 per cent. per annum of the Company's Total Assets. The investment management fee is charged 70 per cent. to the capital account and 30 per cent. to the revenue account. In addition to the Investment Management Fee, the Company is expected to incur ongoing fees, costs and expenses of approximately £350,000 per annum and these are charged 100 per cent. to the revenue account.
9. The Company will conduct its affairs so that it satisfies the conditions for approval as an investment trust set out in Section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 on an ongoing basis and the Company will, as a consequence of such status, be exempt from any charge to corporation tax on any realised gains arising through the sale of investments.
10. There are no changes in any relevant taxation law and practice.
11. There are no changes to generally accepted accounting practices relevant to the Company.
12. The rights attaching to the Shares set out in the Articles are not altered.
13. No provision is made for any taxation charges suffered by the Company and there is no diminution in the value of the Company's assets as a result of the winding up of the Company.

14. The costs incurred by the Company in connection with, or as a result of, the winding up of the Company on 30 June 2031 do not exceed £700,000 and are charged 100 per cent. to the capital account.
15. The accounting reference date of the Company is 30 June.
16. Hurdle rates are based on portfolio capital growth rates and refer to the rate of capital growth per annum (prior to the investment management fee) in the Company's investment portfolio, from 1 July 2024 to 30 June 2031, and are stated to one decimal place with 0.05 rounded up.

PART 6

THE SCHEME AND THE SCHEME ISSUE

Further details of the ASLIT Scheme

Background to the ASLIT Scheme

ASLIT is required under its articles of association to propose a winding up resolution on or within 3 months prior to 1 July 2024. The ASLIT Board is therefore recommending that ASLIT be wound up voluntarily and a scheme of reconstruction under section 110 of the Insolvency Act 1986 be implemented.

The Company will act as a rollover option for the existing shareholders in ASLIT under the ASLIT Scheme and, in exchange, it will acquire the ASLIT Rollover Portfolio. The assets within this portfolio will principally comprise investments in small UK quoted companies as well as cash and other assets which are in accordance with the Company's investment policy. The Company is also proposing to issue Ordinary Shares and ZDP Shares under the Placing and Offer for Subscription in order to finance its intended acquisition of all or part of the Remaining ASLIT Portfolio. Further details in relation to the Placing and Offer for Subscription are set out in Part 7 of this document.

ASLIT Shareholders' entitlements under the ASLIT Scheme

ASLIT Shareholders can make different Elections in respect of different ASLIT Shares which they hold. Overseas ASLIT Shareholders will, if the Proposals become effective, receive cash in respect of their holdings.

- **ASLIT Ordinary Shareholders**

ASLIT Ordinary Shareholders may elect to:

- (i) roll over some or all of their investment in ASLIT into Ordinary Shares in ASLIT at 100 pence per Ordinary Share (the "**Ordinary Rollover Option**"); and/or
- (ii) receive cash in respect of some or all of their investment in ASLIT (the "**Ordinary Cash Option**").

ASLIT Ordinary Shareholders (other than Overseas ASLIT Shareholders) who do not make a valid Election under the ASLIT Scheme will be deemed to have elected for Ordinary Shares in the Company and, in the event of a scaling back of allocations of Ordinary Shares, will receive Ordinary Shares and ZDP Shares in the ratio of 8:3 to the extent deemed elections for Ordinary Shares are unfulfilled (the "**Scaled Back Ordinary Election**").

ASLIT Ordinary Shareholders will have the option to elect (by completing the relevant boxes on their form of election or by submitting a TTE to the relevant member account) that, if they are scaled back in respect of any part of their election for Ordinary Shares they receive cash to the extent such deemed election for Ordinary Shares is unfulfilled. If Ordinary Shareholders do not make an election to be scaled back into cash they will receive, by default, Ordinary Shares and ZDP Shares in respect of the Scaled Back Ordinary Election in the ratio of 8:3 subject to the Company not being larger than ASLIT as at 30 April 2024 when it had total assets of £222 million.

- **ZDP Shareholders**

ASLIT ZDP Shareholders may elect to:

- (i) roll over some or all of their investment in ASLIT into ZDP Shares in the Company at 100 pence per ZDP Share (the "**ZDP Rollover Zero Option**"); and/or
- (ii) roll over some or all of their investment in ASLIT into Ordinary Shares in the Company at 100 pence per Ordinary Share (the "**ZDP Rollover Ordinary Option**"); and/or
- (iii) receive cash in respect of some or all of their investment in ASLIT (the "**ZDP Cash Option**").

ASLIT ZDP Shareholders who do not make a valid Election under the ASLIT Scheme will be deemed to have elected for the ZDP Cash Option.

ASLIT ZDP Shareholders will have the option to elect (by completing the relevant box on their Form of Election or by submitting a TTE to the relevant member account) that, if they are scaled back in respect of any part of their election for Shares (such scaled back elections being the “**Scaled Back ZDP Election**”) they receive either: (i) Ordinary Shares and ZDP Shares in respect of the Scaled Back ZDP Election in the ratio of 8:3 subject to the Company not being larger than ASLIT as at 30 April 2024, when it had total assets of £222 million; and/or (ii) cash.

In exchange for the Company issuing its Shares to ASLIT Shareholders who elect (or are deemed to elect) for the Rollover Option pursuant to the ASLIT Scheme, the Company will receive the ASLIT Rollover Portfolio.

Notice to US ASLIT Shareholders

In connection with the Scheme Issue, the Shares are being offered or sold only: (i) outside the United States in “offshore transactions” to non-US Persons pursuant to Regulation S under the US Securities Act; and (ii) to persons that are both QIBs and Qualified Purchasers pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter and returned it to Link Group by email to operationalsupportteam@linkgroup.co.uk. A US ASLIT Shareholder that does not complete and return a valid US Investor Representation Letter will be deemed to have elected for the Cash Option.

The Scheme is being implemented subject to United Kingdom disclosure requirements, which are different from certain United States disclosure requirements. In addition, US ASLIT Shareholders should be aware that this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements that may be material and may not have been summarised elsewhere in this document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The Shares are not, and will not be, listed on a US securities exchange and the Company is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

It may be difficult for US ASLIT Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since the Company is located in a foreign country, and all of its officers and directors are residents of a foreign country. US ASLIT Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court’s judgement.

Whether located in the United States or elsewhere, US ASLIT Shareholders will receive any cash consideration in Sterling.

The Shares have not been and will not be registered under the US Securities Act, and the Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act.

The Company is not, and does not intend to be, registered under the US Investment Company Act and investors in the Shares are not, and will not be, entitled to the benefits of the US Investment Company Act. There has not been, and there will not be, any public offer of the Shares in the United States.

There are significant restrictions on the resale of Shares by persons that are located in the United States, that are US Persons, or hold Shares for the account or benefit of US Persons and on the resale of Shares to any person who is located in the United States or to, or for the account or benefit of, a US Person. If in the future the initial purchaser, as well as any subsequent holder, decides to offer, sell, transfer, assign or otherwise dispose of the Shares, they may do so only: (i) outside the United States in an “offshore transaction” complying with the provisions of Regulation S under the US Securities Act to a person not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

PART 7

PLACING AND OFFER FOR SUBSCRIPTION

Further details of the Placing and Offer for Subscription

Introduction

The Company is proposing to issue up to 161.5 million Ordinary Shares (less such number of Ordinary Shares as are issued under the ASLIT Scheme) and up to 60.5 million ZDP Shares (less such number of ZDP Shares as are issued under the ASLIT Scheme) to new investors (as well as to ASLIT Shareholders) pursuant to the Placing and Offer for Subscription. The issue price of the Ordinary Shares and the ZDP Shares is 100 pence per Share. The Issues are not being underwritten. No commissions will be paid by the Company to any applicants under the Issues.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to Admission of the Shares issued pursuant to the Issues, the Company will publish a supplementary prospectus. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s). Otherwise the Prospectus will not be updated but investors should refer to the Company's announcements made through a Regulatory Information Service.

Reasons for the Issues and use of proceeds

The reason for the Issues is to enable the Company to act as a rollover option for the existing shareholders in ASLIT. The net proceeds of the Issues will be used to acquire the ASLIT Rollover Portfolio and all or part of the Remaining ASLIT Portfolio.

The assets within each of these portfolios that are to be transferred to the Company will principally comprise investments in small UK quoted companies as well as cash and other assets which are in accordance with the Company's investment policy. The value of the Remaining ASLIT Portfolio will be calculated using the bid prices of the securities held by ASLIT as at the Calculation Date. From its launch therefore, on the basis of the Assumptions, the Company will be substantially invested without the Company having to incur significant dealing costs or suffering a delay in the proceeds of the Issues being invested.

The Company is not seeking to raise new capital under the Placing and Offer for Subscription in excess of the amount which when taken with the Scheme Issue would result in the Company being larger than ASLIT as at 30 April 2024 when its total assets were £222 million. In the event significantly more proceeds are raised in excess of £100 million, the Company's initial portfolio will consist of small UK quoted companies and cash which will be invested in accordance with the Company's investment policy.

Profile of a typical investor

The Directors believe that the profile of a typical investor in the Ordinary Shares is an institution or professionally advised individual who is seeking an attractive level of income with the potential to obtain growth in both income and capital over the Planned Life of the Company. The Directors believe that the profile of a typical investor in the ZDP Shares is an institution or professionally advised individual who wishes to receive a final capital entitlement on the Planned Winding Up Date.

The Placing

J.P. Morgan Cazenove is acting as sponsor and broker in relation to the Placing. J.P. Morgan Cazenove, the Company and Aberforth Partners have entered into the Sponsor and Placing Agreement.

Pursuant to the terms of the Sponsor and Placing Agreement, JPMC has agreed to use its reasonable endeavours to procure subscribers for Ordinary Shares and ZDP Shares under the Placing, in each case at the Issue Price. Further details of the Sponsor and Placing Agreement are set out in paragraph 14.3 of Part 9 of this document.

The Offer for Subscription

The Directors are proposing to offer Ordinary Shares and ZDP Shares under the Offer for Subscription. The Offer for Subscription is being made in the UK only, and only to prospective investors who are not US Persons. The public generally (unless they are located or resident outside the UK) may apply for Ordinary Shares and ZDP Shares through the Offer for Subscription.

Applicants under the Offer for Subscription must specify a fixed sum in Sterling, being the aggregate subscription price for the Ordinary Shares and the ZDP Shares for which they wish to apply at the Issue Price. The aggregate subscription price is payable in full on application. Individual applications must be for a minimum subscription of £1,000 and applications in excess of that amount should be made in multiples of £100.

The procedure for, and the terms and conditions of, application under the Offer for Subscription are set out on pages 124 to 134 of this document and an Application Form for use under the Offer for Subscription is set out at the end of this document.

Completed Application Forms and the accompanying payment in relation to the Offer for Subscription must be posted or delivered by hand (during normal business hours only) to Link Group, Corporate Actions, 29 Wellington Street, Leeds LS1 4DL so as to be received by 11.00 a.m. on 21 June 2024.

Scaling back

The Board has overriding discretion (after consultation with the ASLIT Directors, the Investment Manager and JPMC) to scale back Elections under the Scheme Issue and/or applications under the Placing and Offer for Subscription to ensure that the Company: (i) will not be larger than ASLIT as at 30 April 2024 when its total assets were £222 million; and (ii) will have a ratio of Ordinary Shares to ZDP Shares of 8:3.

In exercising its discretion, the Board in particular intends to seek to ensure a fair allocation between ASLIT Shareholders who elect for the Rollover Option. In allocating Ordinary Shares preference will be given, so far as is practicable, to those existing ASLIT Ordinary Shareholders who have elected (or are deemed to elect) for the Ordinary Rollover Option and, in allocating ZDP Shares, the Board intends to give preference, so far as is practicable, to those existing ASLIT ZDP Shareholders who have elected for the ZDP Rollover Zero Option and/or the ZDP Rollover Ordinary Option.

The results of the Issues (including any scaling back) will be announced through a Regulatory Information Service on 28 June 2024.

Conditions of the Placing and Offer for Subscription

The Offer Issue is conditional upon:

- the passing of the ASLIT Resolutions to approve the ASLIT Scheme at the ASLIT General Meetings and the ASLIT Scheme becoming unconditional;
- the Admission Condition being satisfied;
- the Minimum Share Subscription Amount being subscribed pursuant to the Scheme and/or the Placing and Offer for Subscription;
- the conditions precedent to the Sponsor and Placing Agreement being satisfied (further details of which are set out in paragraph 14.3 of Part 9 of this document); and
- neither the ASLIT Directors nor the Directors resolving to abandon the ASLIT Scheme or the Proposals.

If these conditions are not satisfied by 5.00 p.m. on 28 June 2024 and admission doesn't occur on 1 July 2024 or such later date, not being later than 31 July 2024 as the Company, JPMC and the Investment Manager may agree, no part of the Proposals will become effective and no Shares will be issued.

Listing and dealing

The results of the Issues are expected to be announced on or around 28 June 2024 via a Regulatory Information Service.

It is expected that the Shares will be admitted to the Official List and to trading on the Main Market on 1 July 2024. No dealings will commence before this date.

Shares issued pursuant to the Offer Issue will be in registered form and may be held either in certificated form or settled through CREST. It is expected that definitive certificates in respect of the Shares will be despatched by post as soon as practicable following 1 July 2024.

Temporary documents of title will not be issued. Pending despatch of certificates in respect of the Shares, transfers will be certified against the register. Dealings in the Shares are expected to commence on 1 July 2024. The Issues cannot be revoked after dealings in the Shares have commenced.

When admitted to trading, the Ordinary Shares will be registered with ISIN number GB00BPJMQ253 and SEDOL number BPJMQ25 and the ZDP Shares will be registered with ISIN number GB00BPJMQ360 and SEDOL number BPJMQ36.

Costs of the Issues

The costs and expenses of the Issues on the basis of the Assumptions (including the costs involved with the publication of this document, placing commissions and stamp duty and taking into account the Aberforth Costs Contribution) that are to be incurred by the Company are expected to be approximately £1.1 million.

ISAs

Any person wishing to apply for Shares under the Offer for Subscription through any ISA or savings plan should contact their ISA or savings plan manager as soon as possible.

The Shares will be a qualifying investment for an ISA, provided they are acquired by an ISA plan manager pursuant to the Offer for Subscription. Shares issued pursuant to the Placing are not eligible for inclusion in an ISA. Ordinary Shares acquired through the ASLIT Scheme will be a qualifying investment for an ISA, provided the ASLIT Shares in respect of which the entitlements to such shares arose were held within an ISA. Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in Shares through an ISA is restricted to certain UK resident individuals aged 18 or over and subject to applicable annual subscription limits (£20,000 for the 2024-2025 tax year).

Shares in investment trusts, such as the Company, only qualify for inclusion in an ISA where the investments of the investment trust themselves continue to meet certain tests laid down by law. The intention of the Directors is to manage the Company in a way which will allow the Shares to qualify as ISA investments.

SIPPs and SSASs

The Shares will constitute permitted investments for SIPPs and for SSASs. Potential investors wishing to include Shares in SIPPs or SSASs should seek independent confirmation of their eligibility from their professional tax or financial advisers after taking into account the rules of their schemes.

Money laundering

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents, the Placing Agent, the Registrar and the Investment Manager may require evidence in connection with any Shareholder, including further identification of the Shareholder before any Shares are issued.

PART 8

UK TAXATION

The information contained in this document relating to taxation is a summary of the taxation matters which the Directors consider should be brought to the attention of potential investors. The following statements are intended as a general guide only and do not constitute legal or tax advice to any Shareholder or prospective Shareholder. They are based upon United Kingdom legislation and HM Revenue & Customs' practice currently in force, and relate only to the position of Shareholders who are beneficial owners of their Shares. They may not relate to certain categories of Shareholders, such as dealers in securities. Potential investors should consult their own professional advisers on the potential tax consequences of acquiring, holding or selling Shares in the Company.

1. THE COMPANY

It is the intention of the Directors to apply to HM Revenue & Customs for the Company to be approved as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 and Chapter 1 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011 with effect from the commencement of its first accounting period. As an approved investment trust, the Company will have investment trust status in respect of each of its accounting periods, and will be exempt from United Kingdom taxation on its capital gains and capital profits from creditor loan relationships in respect of each period, other than to the extent that it commits a serious breach of one of the requirements to be met while approved as an investment trust. The Directors intend to conduct the affairs of the Company so as to satisfy the requirements for approved investment trusts on an ongoing basis. In order to maintain its investment trust status, the Company must not, *inter alia*, be a close company at any time in an accounting period. The Directors do not anticipate that the Company will be a close company.

The Company will be liable to UK corporation tax on its income profits in the normal way, with dividend income, in general, being exempt from corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available on overseas income other than dividend income.

2. SHAREHOLDERS

2.1. Taxation of capital gains

Individual shareholders resident in the UK for taxation purposes may, depending upon their personal circumstances, be liable to UK capital gains tax or, in the case of corporations, UK corporation tax on chargeable gains arising from the sale or other disposal (which includes disposal upon a winding up) of their Shares. A disposal by an individual Shareholder, resident in the UK for taxation purposes, will be subject to capital gains tax at a rate of 20 per cent. where the individual who pays income tax at the higher or additional rates of tax; otherwise a tax rate of 10 per cent. applies. An individual may be able to claim certain reliefs (including the annual exemption which is set at £3,000 for the financial year 2024/2025).

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

2.2. Taxation of dividends

The ZDP Shares carry no right to receive dividends. Accordingly, the UK rules on the taxation of dividends are not relevant to a holding of ZDP Shares.

Each individual who is resident in the UK for tax purposes is entitled to an annual tax free dividend allowance of £500 (tax year 2024/2025). Dividends received in excess of this threshold will be taxed, for the fiscal year 2024/2025 at 8.75 per cent. (basic rate taxpayers), 33.75 per cent. (higher rate taxpayers) and 39.35 per cent. (additional rate taxpayers).

In general, UK resident corporate Shareholders (other than dealers and certain insurance companies) are exempt from corporation tax in respect of dividends, except in certain specific circumstances.

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

2.3. **Stamp duty and stamp duty reserve tax**

Issue of New Shares pursuant to the Issues

The issue of Shares pursuant to the Issues should not give rise to any stamp duty or stamp duty reserve tax.

Subsequent transfers

An agreement to transfer Shares through CREST will normally be subject to stamp duty reserve tax at the rate of 0.5 per cent. or, if the transferee is a person to whom the depositary receipt or clearance service charge to stamp duty reserve tax may apply, at the rate of 1.5 per cent. of the value of the consideration paid. If an instrument of transfer of the Shares is subsequently executed (if the Shares are not transferred through CREST), it will generally be subject to stamp duty at the rate of 0.5 per cent. or if the transferee is a person to whom the depositary receipt or clearance service charge to stamp duty may apply, at the rate of 1.5 per cent. of the value of the consideration paid, in either case rounded up to the nearest multiple of £5. When such an instrument of transfer is duly stamped and stamp duty is paid within specified time limits, the stamp duty reserve tax charge will be cancelled and any stamp duty reserve tax already paid will be refunded.

Paperless transfers of Shares (such as those occurring within CREST) are generally liable to stamp duty reserve tax, rather than stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given. When Shares are transferred into the CREST system, there should generally be no stamp duty reserve tax on the transfer (unless made for a consideration, in which case stamp duty reserve tax will be payable at the rate of 0.5 per cent. of the actual consideration given).

Liability to pay stamp duty or stamp duty reserve tax is normally that of the transferee or purchaser.

Certain persons (e.g. brokers or custodians) may have stamp duty reserve tax liabilities and compliance obligations in respect of certain transactions and agreements involving Shares. Such persons should seek their own professional advice in respect of these liabilities and obligations.

Special rules may apply to transfers, or agreements to transfer, treasury shares. Specific advice should be sought in respect of such transactions.

2.4. **ISAs**

The Shares will qualify for an ISA, provided that they are acquired by an ISA manager in the market or under the Offer. Direct transfers to an ISA will render such shares ineligible for ISAs. Shares acquired through the ASLIT Scheme will be a qualifying investment for an ISA, provided the ASLIT Shares in respect of which the entitlements to such shares arose were held within an ISA.

2.5. **SIPPs and SSASs**

The Shares acquired pursuant to the Issues will be permitted investments for SIPPs and SSASs.

PART 9

GENERAL INFORMATION

1. THE COMPANY

- 1.1. The Company was incorporated and registered in England and Wales on 29 March 2024 as a public company limited by shares under the Companies Act with the name Aberforth Geared Value & Income Trust plc and registered number 15602886.
- 1.2. The Company's registered office and principal place of business is Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS (Tel: + 44 131 220 0733) and its website address is <https://aberforth.co.uk/trusts-and-funds/aberforth-geared-value-income-trust-plc>. Information on the Company's website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus. The Company's LEI is 2138006A8FCYYWSJKE32.
- 1.3. The principal legislation under which the Company operates is the Companies Act and regulations from time to time made thereunder. As a listed investment trust, the Company is not regulated as a collective investment scheme by the FCA. However, from Admission, the Ordinary Shares and ZDP Shares which will be listed on the premium and standard segments of the Official List, respectively, and traded on the London Stock Exchange's Main Market. The Company will be subject to the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Takeover Code, UK MAR and the rules of the London Stock Exchange. The Company is domiciled in the United Kingdom. The Company is an alternative investment fund pursuant to the UK AIFMD Laws. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.
- 1.4. In accordance with the Companies Act, the objects of the Company are unrestricted save that the Company will operate as a closed-ended investment company pursuant to Part 12 of the Corporation Tax Act 2010. The principal activity of the Company is to invest its assets in accordance with the investment objective and policy set out in Part 2 of this Prospectus.
- 1.5. The Company has a fixed life of seven years.
- 1.6. Save for entry into of the material contracts summarised in paragraph 14 of this Part 9, the Company has not commenced operations since incorporation and, as at the date of this Prospectus, no financial statements have been made up and no dividends have been declared by the Company.
- 1.7. The Company's accounting period will end on 30 June of each year. The first accounting period will end on 30 June 2025. The annual report and accounts will be prepared under UK GAAP, presented in Sterling under FRS 102.
- 1.8. The Company is in the process of appointing its statutory auditor and expects to appoint its preferred firm, Johnston Carmichael LLP who has its registered office at Bishop's Court, 29 Albyn Place, Aberdeen AB10 1YL shortly following Admission. Johnston Carmichael LLP is registered to carry out audit work by the Institute of Chartered Accountants in Scotland.
- 1.9. The Company has no employees and its day-to-day activities are delegated to third parties.
- 1.10. On 13 May 2024, the Company was granted a certificate under section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers.
- 1.11. The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.
- 1.12. The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act and the Investment

Trust Tax Regulations. In summary, the key conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:

- 1.12.1. all, or substantially all, of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
- 1.12.2. the Company is not a close company at any time during the accounting period for which approval is sought;
- 1.12.3. the Company is resident in the UK throughout that accounting period;
- 1.12.4. the Company's ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period;
- 1.12.5. the company is not a venture capital trust or a real estate investment trust; and
- 1.12.6. the Company must not retain in respect of the accounting period an amount greater than the higher of: (i) 15 per cent. of its income for the period; and (ii) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (i) and (ii) above, the Company may retain an amount equal to the amount of such losses.

2. THE INVESTMENT MANAGER

- 2.1. Aberforth Partners LLP has been appointed as the alternative investment fund manager of the Company pursuant to the Investment Management Agreement. The AIFM is a limited liability partnership incorporated in England and Wales with registered number OC313353. The registered office of the Investment Manager is Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS and its telephone number is +44 131 220 0733. The Investment Manager is authorised and regulated by the FCA (FRN: 435657).

3. THE DEPOSITARY AND THE CUSTODIAN

- 3.1. NatWest Trustee and Depositary Services Limited has been appointed as the Company's Depositary. The Depositary will be responsible for the safe keeping of the Company's assets. The Depositary is a limited company incorporated in England and Wales under the Companies Act 2006 with registered number 11194605 on 8 February 2018. The Depositary's registered office is at 250 Bishopsgate, London EC2M 4AA (telephone number: 0345 800 0280). The Depositary is authorised and regulated by the FCA with firm reference number 794152. It is expected that the Depositary will enter into a written agreement delegating the performance of its safekeeping functions to the custodian, The Northern Trust Company. The Custodian is a company established under the laws of the State of Illinois in the United States of America, whose principal place of business in England and Wales is at 50 Bank Street, Canary Wharf, London E14 5NT (telephone number 020 7982 2000). The Custodian operates pursuant to the laws of the State of Illinois, United States of America. The Custodian's business in the UK is authorised and regulated by the FCA with firm reference number 122020.

4. SHARE CAPITAL

- 4.1. The Company was incorporated with no authorised share capital. At incorporation, the share capital of the Company was £0.01 represented by one Ordinary Share with a nominal value of £0.01, which was issued to the subscriber to the Company's memorandum of association.
- 4.2. To enable the Company to obtain a trading certificate (which entitles the Company to do business and exercise borrowing powers) under section 761 of the Companies Act, on 25 April 2024, 50,000 Redeemable Preference Shares were allotted to Scott Wallace, a partner of Aberforth Partners, against its irrevocable undertaking to pay up, or procure payment of, £1 in cash for each of such Redeemable Share on demand. Such Redeemable Preference Shares will be redeemed for cash at par upon Admission out of the proceeds of the Issues.

- 4.3. The issued share capital of the Company (all of which is, and will be, fully paid) as at the date of this Prospectus and immediately following Admission (on the basis of the Assumptions) is and will be:

	Aggregate Nominal Value (£)	Number
As at the date of this Prospectus		
Ordinary Share	0.01	1
Redeemable Preference Shares	50,000	50,000
Immediately following the Issues*		
Ordinary Shares	727,273	72,727,273
ZDP Shares	272,727	27,272,727
Redeemable Preference Shares	50,000	50,000

* All Ordinary Shares and ZDP Shares will be fully paid at Admission. The Redeemable Preference Shares will be redeemed immediately following Admission out of the proceeds of the Issues. Neither the Ordinary Shares nor the ZDP Shares are redeemable.

- 4.4. As at 22 May 2024 (being the latest practicable date prior to the date of this Prospectus) the Company did not hold any Shares in treasury and no Shares were held by or on behalf of the Company itself or by subsidiaries of the Company.
- 4.5. By ordinary resolution passed on 25 April 2024, the Directors were authorised as follows:
- 4.5.1. generally and unconditionally, pursuant to section 551 of the Companies Act to allot the Redeemable Preference Shares, having the rights and being subject to the restrictions set out in the Articles, up to an aggregate nominal value of £50,000, provided that this authority was limited to the allotment of up to 50,000 Redeemable Preference Shares for the purposes of enabling the Company to obtain the certificate to commence trading under section 761 of the Companies Act, such authority to expire immediately following Admission.
- 4.6. By ordinary and special resolutions passed on 24 May 2024, the Directors were authorised as follows:
- 4.6.1. generally and conditionally only on the Scheme becoming effective, pursuant to section 551 of the Act to allot Ordinary Shares and ZDP Shares and grant rights to subscribe for or to convert any securities into Ordinary Shares and/or ZDP Shares up to an aggregate nominal value of up to £1.7 million in respect of the Ordinary Shares and up to an aggregate nominal value of up to £0.62 million in respect of the ZDP Shares pursuant to the Issues, such authority to expire (unless previously revoked) on 31 July 2024;
- 4.6.2. in addition to the authority to allot Ordinary Shares and ZDP Shares set out in paragraph 4.6.1 above and in accordance with section 551 of the Act, to allot Ordinary Shares and ZDP Shares and to grant rights to subscribe for or to convert any securities into Ordinary Shares and/or ZDP Shares up to an aggregate nominal amount representing 20 per cent. of the Ordinary Shares in issue immediately following Admission and up to an aggregate nominal amount representing 20 per cent. of the ZDP Shares in issue immediately following Admission such authority to expire (unless previously revoked, varied or renewed by the Company at a general meeting) at the conclusion of the first annual general meeting of the Company;
- 4.6.3. pursuant to sections 570 and 573 of the Act, to allot equity securities (as defined in section 560 of the Act), including the grant of rights to subscribe for or to convert into, Ordinary Shares and/or ZDP Shares for cash pursuant to the authority set out in paragraph 4.6.1 above on the basis that the statutory pre-emption rights in subsection 561(1) of the Act do not apply to such allotment of equity securities such authority being limited to the allotment of equity securities up to an aggregate nominal value of £1.7 million in respect of the Ordinary Shares and up to an aggregate nominal value of £0.62 million in respect of the ZDP Shares and such authority to expire on 31 July 2024;

- 4.6.4. in addition to the authority referred to in paragraph 4.6.3 above and subject to and in accordance with sections 570 and 573 of the Act, to allot equity securities (within the meaning of section 560 of the Act) including the grant of rights to subscribe for, or convert into, Ordinary Shares and/or ZDP Shares for cash pursuant to the authority set out in paragraph 4.6.2 above on the basis that the statutory pre-emption rights in sub-section 561(1) of the Act do not apply to such allotment of equity securities provided that such authority is limited to up to 20 per cent of the nominal value of the issued Ordinary Shares immediately following Admission and up to 20 per cent. of the nominal value of the issued ZDP Shares immediately following Admission and such authority will expire (unless previously revoked, varied or renewed by the Company at a general meeting) at the conclusion of the first annual general meeting of the Company;
- 4.6.5. to exercise all powers of the Company to make market purchases (within the meaning of section 696(4) of the Act) of up to 14.99 per cent. of the Ordinary Shares in issue at Admission and up to 14.99 per cent of the ZDP Shares in issue as at Admission on such terms and in such manner as the Directors may from time to time determine, such authority to expire (unless previously revoked, varied or renewed by the Company at a general meeting) at the conclusion of the first annual general meeting of the Company provided that the Company may at any time prior to the expiry of this authority enter into a contract or contracts under which a purchase of Ordinary Shares and/or ZDP Shares will or may be completed or executed wholly or partly after the expiration of this authority and the Company may purchase Ordinary Shares and/or ZDP Shares in pursuance of any such contract or contracts as if this authority had not expired;
- 4.6.6. conditional upon Admission occurring and subject to the confirmation and approval of the High Court to cancel the amount standing to the credit of the share premium account of the Company at the time the relevant order is issued by the High Court and to credit the amount of the share premium account so cancelled to a special reserve which may be used for all purposes permitted in accordance with the Act (including for the payment of dividends); and
- 4.6.7. to adopt the Articles as the articles of association of the Company.
- 4.7. Under its Articles, the Company has the ability to hold general meetings (including its annual general meetings) in person, entirely electronically via a virtual platform and by way of a hybrid meeting. The Board has no current intention to hold virtual only general meetings.
- 4.8. Save as disclosed in this Prospectus, since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital.
- 4.9. The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 4.10. Save as described in paragraph 12.16 of this Part 9 in this Prospectus and in the Articles, the Ordinary Shares are freely transferable.
- 4.11. Each Ordinary Share will be issued pursuant to the ASLIT Scheme, Placing and Offer for Subscription, as appropriate, fully paid at a premium of 99 pence per Ordinary Share to the nominal value of 1 penny per Ordinary Share.
- 4.12. Each ZDP Share will be issued pursuant to the ASLIT Scheme, Placing and Offer for Subscription, as appropriate, fully paid at a premium of 99 pence per ZDP Share to the nominal value of 1 penny per ZDP Share.
- 4.13. The Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Admission. Temporary documents of title will not be issued. In the case of Ordinary Shares to be issued in uncertificated form, these will

be transferred to successful applicants through CREST. Accordingly, settlement of transactions in the Shares following Admission may take place within CREST if any Shareholder so wishes.

- 4.14. Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

5. INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

- 5.1. As at the date of this Prospectus, there are no potential conflicts of interest between any duties owed to the Company by any of the Directors and their private interests and/or other duties.
- 5.2. The Directors do not have any options over Shares. The Directors have confirmed they (and/or their connected persons) intend to subscribe in the Issues for the following number of Shares either by electing for the Rollover Option in accordance with the ASLIT Scheme and/or applying for Ordinary Shares and/or ZDP Shares pursuant to the Offer for Subscription:

	Number of Ordinary Shares	Percentage of Ordinary Shares*	Number of ZDP Shares	Percentage of ZDP Shares**
Angus Gordon Lennox (<i>Chair</i>)	633,000	0.87	–	–
Graeme Bissett (<i>Audit Committee Chair</i>)	110,000	0.15	7,600	0.03
Lesley Jackson (<i>Management Engagement Committee Chair</i>)	35,000	0.05	–	–
Jane Tufnell (<i>Senior Independent Director</i>)	100,000	0.14	40,000	0.15

* Assuming 72,727,273 Ordinary Shares are issued at Admission.

** Assuming 27,272,727 ZDP Shares are issued at Admission.

- 5.3. Save as disclosed in paragraph 5.2, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.
- 5.4. The partners of the Investment Manager have indicated that they, and their connected persons, intend to elect for the relevant Rollover Option in respect of their interests in ASLIT Shares (valued, in aggregate, at approximately £6 million as at 30 April 2024). Aberforth Partners are also making a contribution to the Company's launch costs of £450,000.
- 5.5. Pursuant to deeds of indemnity entered into between the Company and each Director, the Company has undertaken, subject to certain conditions and exclusions, to indemnify each Director against all costs, charges, fees, expenses, losses, damages, judgments, settlements, compensation, other awards, fines, penalties, taxes and any other liabilities suffered or incurred by the Director in connection with the performance of their duties as a director of the Company.
- 5.6. None of the Directors receive any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. Accordingly, there are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits to the Directors.
- 5.7. The Company has not made any loans to the Directors which are outstanding, nor has it provided any guarantees for the benefit of any Director or the Directors collectively.
- 5.8. It is estimated that the aggregate emoluments based on the fees set out in paragraph 6.2 below, (including benefits in kind and pension contributions of which none are to be made) of the Directors for the period ending 30 June 2025 will amount to no more than £131,000 (on an annualised basis).
- 5.9. None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.

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

	Current Directorships/Memberships	Previous Directorships/Memberships
Angus Gordon Lennox (<i>Chair</i>)	Aberforth Split Level Income Trust plc The Mercantile Investment Trust plc The G.C. Gordon Lennox Estate Company The Walled Garden Trading Company Spey District Fishery Spey Trust	Securities Trust of Scotland plc
Graeme Bissett (<i>Audit Committee Chair</i>)	Aberforth Split Level Income Trust plc Calnex Solutions plc Cruden Holdings Limited Pitlochry Festival Theatre Strategic Advisory Group of the Scottish Government's proposed Heat in Buildings Strategy	Anderson Strathern LLP Citizens Advice Scotland University of Glasgow Realizzare Limited Scotland Office, UK Government Smart Metering Systems plc The Entrepreneurial Scotland Foundation
Lesley Jackson (<i>Management Engagement Committee Chair</i>)	Aberforth Split Level Investment Trust plc The Artisanal Spirits Company PLC	Devro PLC Trackwise Designs PLC Water Plus Group Limited
Jane Tufnell (<i>Senior Independent Director</i>)	Schroders Global Innovation Trust plc Latitude Investment Management LLP Calmsden Limited Upper Coln Farm and Stud Limited ICGT Enterprise Trust plc Calmsden Farms	JPM Claverhouse Investment Trust plc Odyssean Investment Trust plc Record plc

- 5.11. The Directors, in the five years prior to the date of this Prospectus:

- 5.11.1. have not had any convictions in relation to fraudulent offences;
- 5.11.2. save as disclosed in paragraph 5.12 below, have not been associated with any bankruptcies, receiverships, liquidations or the administration of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- 5.11.3. save as disclosed in paragraph 5.12 below, have not been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

- 5.12. Graeme Bissett was a director of and sole shareholder of Realizzare Limited at the time this company was placed into creditors voluntary liquidation on 29 March 2022. All creditors were paid in full. Graeme Bissett was also a part-time consultant and employee (for different periods) between 2003 and 2010 of Transport Initiatives Edinburgh Ltd, a delivery company for the Tram Project for the City of Edinburgh Council which became the subject of, and received criticism from, the statutory inquiry set up by the Scottish Government.
- 5.13. As at the date of this Prospectus, none of the Directors have any conflict of interest or potential conflicts of interest between any duties to the Company and their private interests and any other duties. The Investment Manager, any of its directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an “**Interested Party**”) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.
- 5.14. The Company intends to maintain directors’ and officers’ liability insurance on behalf of the Directors at the expense of the Company.
- 5.15. There are no family relationships between any of the Directors.
- 5.16. As at the date of this Prospectus and insofar as is known to the Company, there are no parties known to have a notifiable interest under English law in the Company’s capital or voting rights.
- 5.17. The holders of ZDP Shares will not normally be entitled to vote at general meetings of the Company. They will, however, have a right to vote in certain limited circumstances and their separate approval as a class will be required for certain proposals which would be likely to affect their position materially.
- 5.18. Pending the allotment of Shares pursuant to the Issues, one Ordinary Share has been issued to the subscriber to the Company’s memorandum of association. The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 5.19. The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

6. DIRECTOR’S APPOINTMENT LETTERS

- 6.1. No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors’ appointments can be terminated in accordance with the Articles and without compensation. Directors are required to retire and seek re-election by the Shareholders at each annual general meeting of the Company. The Articles provide that the office of Director shall be terminated among other things: (i) by a written resolution passed by all of the other Directors; (ii) where there has been unauthorised absences from board meetings for six consecutive months or more; (iii) on the written request of all of the other Directors; or (iv) by virtue of the Companies Act.
- 6.2. Each of the Directors are entitled to receive remuneration from the Company at such rates as may be determined in accordance with the Articles. The aggregate remuneration and benefits in kind of the Directors in respect of any financial year will be payable out of the assets of the Company. Angus Gordon Lennox (*Chair*) will receive an initial fee of £35,000 per year. Graeme Bissett (*Audit Committee Chair*), Jane Tufnell (*Senior Independent Director*) and Lesley Jackson (*Management Engagement Committee Chair*) will each receive an initial fee of £32,000 per annum. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.

7. RELATED PARTY TRANSACTIONS

Except for the appointment letters and deeds of indemnity entered into between the Company and each Director and the Investment Management Agreement entered into between the Company and the Investment Manager, the Company has not entered into any related party transaction (as defined in the standards as adopted according to the Regulation (EC) No 1606/2002) at any time during the period from incorporation to 22 May 2024 (the latest practicable date prior to the publication of this Prospectus).

8. SIGNIFICANT CHANGE

As at the date of this Prospectus, there has been no significant change in the financial position of the Company since 29 March 2024, being the date of the Company's incorporation.

9. WORKING CAPITAL

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

9.2. If the Minimum Net Proceeds are not raised, the Issues may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

10. CAPITALISATION AND INDEBTEDNESS

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

11. LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the period covering the previous 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

12. ARTICLES OF ASSOCIATION

12.1. General

The Articles were adopted on 24 May 2024 by way of a special resolution and contain provisions, *inter alia*, to the following effect.

In this paragraph 12 of Part 9, "Statutes" means the Act and every statute (including any orders, regulations or other subordinate legislation made under the Act) from time to time in force concerning companies in so far as it applies to the Company.

12.2. Unrestricted objects

The Company's objects are unrestricted.

12.3. Share rights

Subject to the provisions of the Statutes and to any rights previously conferred on the holders of shares, the Ordinary Shares and the ZDP Shares confer the following rights.

12.3.1. Capital rights

On a winding up or other return of assets of the Company, the assets of the Company available for distribution to the holders of the Ordinary Shares and the holders of the ZDP Shares after payment of all debts and satisfaction of all liabilities of the Company and redemption of the Redeemable Preference Shares will be applied as follows:

- (a) first, there shall be paid to the holders of the Ordinary Shares *pro rata* to their holdings of Ordinary Shares, any undistributed revenue reserves of the Company (including any current year and accumulated revenue reserves);
- (b) secondly, there shall be paid to the ZDP Shareholders *pro rata* to their holdings of ZDP Shares an amount equal to 100 pence per ZDP Share as increased each day over the period from 1 July 2024 up to and including 30 June 2031 at the daily compound rate which results in a final capital entitlement of 160.58 pence on the Planned Winding Up Date, the first such increase to be deemed to have occurred on 1 July 2024 and the last to occur on 30 June 2031; and
- (c) thirdly, there shall be paid to the Ordinary Shareholders, *pro rata* to their holdings of Ordinary Shares, all remaining surplus assets of the Company available for distribution.

12.3.2. **Dividend rights**

The Ordinary Shares carry the right to receive the revenue profits of the Company (including accumulated revenue reserves) available for distribution and resolved to be distributed by way of interim or final dividend at such times as the Directors may determine.

The Articles provide the Directors with the flexibility to make distributions out of capital, including any special reserve arising out of the cancellation of any share premium account, to Ordinary Shareholders provided always that the Cover of the ZDP Shares (calculated as at the latest practicable date in accordance with the Articles as summarised at paragraph 12.3.4) would not, as a result of any such capital distribution, be less than 2.0 times.

The ZDP Shares carry no rights to receive dividends or other distributions out of the revenue or any other profits of the Company.

12.3.3. **Voting rights**

The Ordinary Shareholders will have the right to receive notice of, and to attend and vote at, general meetings of the Company. On a show of hands each such holder present in person and entitled to vote shall have one vote and, save as provided in paragraph 12.7.1 of this Part 9, on a poll, each such holder present in person or by proxy and entitled to vote shall have one vote for every Ordinary Share held by him.

The ZDP Shareholders will neither have the right to receive notice of, nor the right to attend or vote at, any general meeting of the Company except (save as provided in paragraphs 12.7.2 and 12.7.3 of this Part 9) (i) upon any resolution to vary the special rights or privileges attached to the ZDP Shares or (ii) upon any resolution to wind up the Company, and, in such circumstances, save as otherwise provided below, on a show of hands each holder of ZDP Shares present in person and entitled to vote shall have one vote and, save as provided in paragraph 12.7.1 of this Part 9, on a poll, each such holder who is present in person or by proxy and entitled to vote shall have one vote in respect of every ZDP Share held by him.

In the case of joint holders of a share, only the vote of the senior holder who votes, (and any proxy duly authorised by him) may be counted by the Company. The senior holder of a share is determined by the order in which the names of the joint holders appear in the register.

12.3.4. **Class rights**

The Company will not, without the consent in writing of the holders of not less than three-fourths in nominal value of the issued ZDP Shares (excluding any shares held as

treasury shares) or the sanction of the ZDP Shareholders by way of special resolution passed at a separate general meeting of such class of ZDP Shareholders:

- (a) issue any further shares or rights to subscribe for or convert any securities into shares in the Company or reclassify issued share capital into shares of a particular class where such shares would, on issue, conversion or reclassification rank as to capital in priority to the ZDP Shares;
- (b) issue any further shares or rights to subscribe for or convert any securities into shares in the Company or reclassify issued share capital into shares of a particular class where such shares would on issue, conversion or reclassification rank as to capital *pari passu* with the ZDP Shares save for the issue by the Company of further shares or rights to subscribe for or convert any securities into shares in the Company or reclassify issued share capital into shares of a particular class where the Cover immediately following the issue, conversion or reclassification would be less than 2.0 times;
- (c) pass a resolution to reduce the issued share capital of the Company in any manner (save that the Company may pass a resolution to cancel all or part of the Company's share premium account and create a special reserve in the accounts of the Company subject to the restrictions on the use of such reserves in paragraph (d) below), provided that the Company may purchase its own Shares where the Cover of the ZDP Shares would, immediately following such purchase, not be less than 2.0 times;
- (d) make or pay any dividends out of the Company's capital reserves or other distributions out of the Company's capital reserves that are available for distribution, including out of any special reserve arising out of the cancellation of any share premium account, if as a result the Cover of the ZDP Shares would immediately following such payment of dividend or such distribution out of the Company's capital reserves that are available for distribution be less than 2.0 times,

For the purpose of paragraphs (b) to (d), the Cover of the ZDP Shares (the "**Cover**") shall be a number resulting from the following formula:

$$\frac{A}{B}$$

where:

"A" is the net asset value of the Company excluding undistributed revenue reserves (valued in accordance with the Company's accounting policies and to exclude both current year and accumulated revenue reserves) at the end of the NAV Calculation Date;

"B" is the amount which would be paid on the ZDP Shares as a class (and on all ZDP Shares ranking as to capital in priority thereto or *pari passu* therewith, save to the extent already taken into account in the calculation of "A") on a winding up of the Company on 30 June 2031 plus an amount equal to the estimated aggregate costs charged to capital to such date and estimated winding up costs of the Company (save to the extent already taken into account in the calculation of "A"),

where "NAV Calculation Date" means close of business on a date specified by the Directors which is not earlier than: (a) (i) 60 days prior to (and excluding) the date of the proposed issue, conversion or reclassification for the purpose of paragraph 12.3.4(b); and (ii) 10 days prior to (and excluding) the date of the proposed dividend out of capital, buyback or other distribution out of capital or any special reserve for the purposes of paragraph 12.3.4(c) and paragraph 12.3.4(d), or, if applicable and earlier, the latest practicable date prior to the

date of any announcement of the intention to make such a proposed issue, conversion or reclassification provided that, in calculating such Cover of the ZDP Shares, the Directors shall use the net asset value of the Ordinary Shares and the ZDP Shares published by the Company at the most recent practicable date before the NAV Calculation Date to calculate the net asset value of the Company (and, for the avoidance of doubt, neither the ZDP Shares nor their capital entitlement shall be treated as borrowings when calculating the net asset value of the Company for these purposes) and, in the case of any issue, conversion or reclassification for the purposes of paragraph 12.3.4(b);

- (i) assume that the share capital or rights proposed to be issued or arising on reclassification had been issued and/or exercised and/or reclassified at the end of the month prior to the NAV Calculation Date;
 - (ii) adjust the net asset value of the Company used for the purposes of (i) above by adding the minimum net consideration (if any) which would be received upon such issue, reclassification or exercise;
 - (iii) take into account the entitlements to be attached to the new shares or securities or rights to be issued;
 - (iv) aggregate the final capital entitlements of the existing ZDP Shares and the final capital entitlements of the new shares or securities or rights arising on issue, conversion or reclassification issued as aforesaid; and
 - (v) make such other adjustments as they consider appropriate (including in respect of any other Shares to be issued at or about the same time as such shares to be issued).
- (e) pass a resolution other than a Recommended Offer Resolution, a Recommended Reconstruction Resolution or a Reconstruction Resolution releasing the Directors from the obligation referred to in paragraph 12.7.1 of this Part 9 to convene a general meeting to wind up the Company voluntarily on the Planned Winding Up Date;
 - (f) save as provided in paragraph 12.7.1 of this Part 9, pass any resolution other than a Recommended Offer Resolution, a Recommended Reconstruction Resolution or a Reconstruction Resolution for the voluntary winding up of the Company;
 - (g) pass a resolution amending the provisions of paragraph 12.3.1 of this Part 9 or this paragraph 12.3.4;
 - (h) permit the amounts borrowed by the Company to cause the Company to breach the borrowing powers in the Articles or increase the limit contained therein;
 - (i) make any material change to the Company's investment policy as set out in Part 2 of this document which, at the time of such change, appears likely, in the reasonable opinion of the Directors, to be materially prejudicial to the rights of the ZDP Shareholders under the Articles; or
 - (j) pass any resolution for the capitalisation of the profits or reserves of the Company.

12.3.5. *For the avoidance of doubt, one of the rights attaching to the ZDP Shares shall be that:*

- (a) a Recommended Offer Resolution;
- (b) a Recommended Reconstruction Resolution;
- (c) a Reconstruction Resolution;

- (d) a resolution authorising, pursuant to section 551 of the Act, the Directors to allot shares or grant rights to subscribe for or to convert any securities into Shares in the Company;
- (e) a resolution empowering, pursuant to section 570 of the Act, the Directors to allot equity securities for cash as if section 561 of the Act did not apply to such allotment; or
- (f) a resolution empowering, pursuant to section 701 of the Act, the Directors to buy back the Company's own Shares,

may be passed and, subject to paragraph 12.3.4 of this Part 9, be implemented without the ZDP Shareholders being entitled to receive notice of or vote either on such resolution at the relevant meeting of the Company or to sanction the same by special resolution at a separate meeting of such ZDP Shareholders, to the intent that the passing and, subject to paragraph 12.3.4 of this Part 9, implementation of any such resolution shall not be treated as varying, modifying or abrogating the rights attached to the ZDP Shares.

12.4. Variation of rights

12.4.1. Subject to the provisions of the Statutes, all or any of the rights attached to any class of shares issued may be varied either with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.

12.4.2. The necessary quorum for such meeting shall be two persons present, or represented by proxy holding not less than one-third in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) but so that at any adjourned meeting one holder present in person or by proxy shall be a quorum. Every holder of shares of the relevant class present in person or by proxy:

- (a) shall be entitled on a poll to one vote for every share of that class held by him (subject to any rights or restrictions attached to any class of shares); and
- (b) may demand a poll.

12.4.3. These provisions apply to the variation of the special rights which only attach to certain shares of a particular class as if shares carrying that special right formed a separate class.

12.5. Uncertificated shares

The Company may in accordance with the Uncertificated Statutes Regulations 2001 (as amended from time to time) permit title to shares to be evidenced otherwise than by certificate and for title to be transferred by means of a relevant system.

12.6. Restriction on votes of shareholders

No Shareholder shall, unless the Board otherwise decides, be entitled, in respect of any share held by him, to vote (either personally or by proxy) at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company in respect of any share unless all calls or other sums presently payable by him in respect of that share have been paid.

Pursuant to the Act, the Company may send a notice to any person whom the Company knows or believes to be interested in the Company's shares requiring that person to confirm whether he has such an interest and if so details of that interest.

Where the holder of any shares in the Company, or any other person appearing to be interested in those shares, fails to comply within a period of 14 days with any statutory notice in respect of those shares, the Company may give the holder of those Shares a restriction notice, which

imposes restrictions on those shares while the default continues, which restrictions may include disenfranchisement to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of the shares of that class, in person or by proxy, or to exercise any privilege as a Shareholder in relation to meetings of the Company. In respect of a person with a 0.25 per cent. or more interest in the issued ordinary share capital of the Company, the Directors may direct in the restriction notice that, subject to certain exceptions, no transfers of shares held by such person (in certificated or uncertificated form) shall be registered and that any dividends or other payments on the shares shall be retained by the Company pending receipt by the Company of the information requested by the Directors.

12.7. Winding up

12.7.1. Subject to paragraphs 12.7.2 and 12.7.3 of this Part 9, the Directors shall convene a general meeting of the Company to be held on or within three months prior to the Planned Winding Up Date being 30 June 2031 at which one or more special resolutions (the "Liquidation Resolution") will be proposed requiring the Company to be wound up voluntarily unless the Directors have previously been released from their obligation to do so by a special resolution of the Company, such special resolution having been duly passed no earlier than 31 March 2031. The vote taken on the Liquidation Resolution shall be taken on a poll. On any vote on any such resolution(s), each Shareholder present in person or by proxy (or, being a corporation, by representation) and entitled to vote and who votes in favour of such resolution(s) shall on a poll have such number of votes in respect of each share held by him as results in the aggregate number of votes cast in favour of the resolution(s) being three times the aggregate number of votes which are cast against the resolution(s).

12.7.2. Notwithstanding paragraph 12.7.1 of this Part 9, if:

- (a) an offer is made to all holders of ZDP Shares (other than the offeror and/or persons controlled by, or acting in concert with, the offeror) which becomes or is declared unconditional in all respects prior to 30 June 2031 (the "Cash Offer"); and
- (b) the Cash Offer enables such holders of ZDP Shares to receive not later than 14 July 2031 an amount in cash not less than that to which such holders would otherwise have been entitled to on a winding up of the Company as a result of the passing of the Liquidation Resolution (whether or not such an offer is accepted in any particular case),

then the provisions referred to in paragraph 12.7.1 of this Part 9 shall not apply, the Directors shall not be required to convene a general meeting of the Company at which the Liquidation Resolution is proposed and the ZDP Shareholders shall not thereafter be entitled to vote at any general meeting of the Company and neither the previous sanction of a special resolution passed at a separate general meeting of the ZDP Shareholders nor their consent shall be required in any case in which it would otherwise be required by the Articles, provided that where, notwithstanding the foregoing, the Statutes require, in any case, the prior sanction of a resolution passed at a general meeting of the holders of ZDP Shares, all ZDP Shareholders present in person or by proxy at any such meeting and entitled to vote shall (in respect of all the votes attached to all such shares) vote in favour of such resolution which has been recommended by the Directors (a "Recommended Offer Resolution") and, where any vote is not cast or is cast against a Recommended Offer Resolution, it shall be deemed to have been cast in favour by virtue of this paragraph 12.7.2, provided that this paragraph 12.7.2 shall cease to have effect with regard to the holders of ZDP Shares if either the Directors consider such Cash Offer is unlikely to be honoured or the offeror has breached a material term of the Cash Offer or has otherwise manifested an intention not to implement the Cash Offer.

12.7.3. Notwithstanding paragraph 12.7.1 above, if at any general meeting held on or before the day on which the Liquidation Resolution would otherwise be, or required to be proposed, there is proposed any resolution (the "Reconstruction Resolution") which

contains a proposal to sanction any form of arrangement (including, without limitation, any arrangement under section 110 of the Insolvency Act 1986) which arrangement would become unconditional in all respects on or before 30 June 2031 and would enable each ZDP Shareholder to receive, not later than 14 July 2031, an amount in cash equal to not less than the amount to which such holders would otherwise have been entitled to on the winding up of the Company as a result of the passing of a Liquidation Resolution (ignoring any option any ZDP Shareholders may be given to elect to receive their entitlement other than in cash), for each ZDP Share held by him then the provisions referred to in paragraph 12.7.1 of this Part 9 shall not apply and the Directors shall be released from their obligation to call a general meeting on the Planned Winding Up Date and the holders of ZDP Shares shall not thereafter be entitled to vote at any general meetings of the Company and neither the previous sanction of a resolution passed at a separate class meeting of the holders of ZDP Shares nor their consent shall be required in any case in which it would otherwise be required by the Articles, provided that, where, notwithstanding the foregoing, the Statutes require, in any case, the previous sanction of a resolution passed at a separate general meeting of the holders of ZDP Shares, all holders of ZDP Shares present in person or by proxy at such meeting and entitled to vote shall (in respect of the votes attached to all shares) vote in favour of such resolution recommended by the Directors (a "Recommended Reconstruction Resolution") and, where any vote is not cast or is cast against any Recommended Reconstruction Resolution, it shall be deemed to have been cast in favour by virtue of this paragraph 12.7.3 provided that this paragraph 12.7.3 shall cease to have effect with regard to the holders of ZDP Shares if the arrangement is not implemented in accordance with its terms.

12.8. Representatives of corporations

Any corporation (other than the Company itself) which is a shareholder of the Company may by resolution of its Board or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares and, subject to the terms of the Statutes, such corporation shall for the purposes of the Articles be deemed to be present in person at any such meeting at which a person or persons so authorised is or are present.

12.9. Redeemable shares

Subject to the provisions of the Statutes and to the rights attached to existing shares, shares may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed.

12.10. General meetings

12.10.1. The Board shall convene and the Company shall hold annual general meetings in accordance with the requirements of the Statutes. Subject to the Statutes, the Board may convene a general meeting whenever it thinks fit and any such general meeting (including an annual general meeting) may be held in person, via a virtual electronic platform or as a hybrid meeting with persons being able to attend in person and via an electronic platform.

12.10.2. An annual general meeting shall be convened by not less than 21 clear days' notice in writing. Subject to the Statutes, all other general meetings shall be convened by not less than 14 clear days' notice in writing.

12.10.3. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by the Articles, two members present in person or by proxy or by a duly authorised corporate representative and entitled to vote shall be a quorum.

12.11. Electronic communications

The Articles will permit the Company to deliver, *inter alia*, notices of meetings and any other documentation (which will include the Company's annual report and accounts) to Shareholders either in electronic form or by publishing such notices or documentation on the Investment Manager's website in accordance with the Statutes. The Articles also provide that the Directors may, from time to time, permit appointments of a proxy to be made in electronic form in the form of an uncertificated proxy instruction.

12.12. Dividends

12.12.1. Subject to the provisions of the Statutes and the terms on which any class of share of the Company has been issued (i) the Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the shareholders, but no dividend shall exceed the amount recommended by the Board; and (ii) the Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the Board whenever the financial position of the Company, in the opinion of the Board, justifies its payment.

12.12.2. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide (i) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid (excluding amounts paid up on a share in advance of a call); and (ii) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid. Dividends may be declared or paid in any currency.

12.12.3. The Board may deduct from any dividend or other moneys payable to a shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company in respect of shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.

12.12.4. Subject to the rights attaching to, or to the terms of issue of, any shares, no dividend or other moneys payable by the Company on or in respect of any shares shall bear interest against the Company.

12.12.5. Any dividend unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company.

12.13. Untraced shareholders

The Company may sell any certificated Shares in the Company on behalf of the holder of, or person entitled by transmission to, the Shares by instructing their sale on the London Stock Exchange, or any other stock exchange outside the United Kingdom on which the Company's Shares are normally traded, at the best price reasonably obtainable at the time of the sale if:

12.13.1. at least three cash dividends have become payable on the shares during the period of twelve years ending on the date the Company notified the holder of the Shares of its intention to sell and all dividends or other moneys payable on or in respect of such shares during that period remain unclaimed (the "Qualifying Period");

12.13.2. no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of funds by means of a relevant system at any time during the relevant period which begins on the commencement of the Qualifying Period and ends when all the requirements detailed in paragraph 12.13.1 of this Part 9 have been satisfied (the "Relevant Period");

12.13.3. so far as the Directors are aware at the end of the Relevant Period, the Company has not at any time during the Relevant Period received any communication from the holder of, or person entitled by transmission to, the shares; and

12.13.4. the Company has given notice to a Regulatory Information Service of its intention to make the sale.

12.14. Distributions of assets otherwise than in cash

Subject to the Statutes, the provisions of the Articles and any terms on which any class of share of the Company has been issued, if the Company shall be wound up (whether the liquidation is voluntary or by the High Court of England and Wales) the liquidator may, with the authority of a special resolution, divide among the shareholders in specie or in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributor shall be compelled to accept any shares or other property in respect of which there is a liability.

12.15. Reduction of capital

Subject to the Statutes, the provisions of the Articles and any terms on which any class of share of the Company has been issued, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve.

12.16. Transfer of shares

12.16.1. Any shareholder may:

- (a) transfer all or any of his uncertificated shares by means of a relevant system as provided for under the Uncertificated Securities Regulations 2001; and
- (b) transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register of members as the holder of that share.

12.16.2. The Board may, in its absolute discretion, decline to register any transfer of any share which is not a fully paid share provided that where such share is admitted to the Official List such discretion may not be exercised in such a way as to prevent dealings in shares of that class from taking place on an open and proper basis.

12.16.3. The Board may only decline to register a transfer of an uncertificated share in the circumstances set out in the Uncertificated Securities Regulations 2001 and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

12.16.4. The Board may decline to register any transfer of a certificated share unless:

- (a) the instrument of transfer is left with the Company accompanied by the certificate for the share and such other evidence as the Board may reasonably require to show the right of the person executing the instrument of transfer to make the transfer;
- (b) the instrument of transfer is duly stamped or adjudged or certified as not chargeable to stamp duty (if stamp duty is generally chargeable on transfers of certificated shares);
- (c) the instrument of transfer is in respect of only one class of share; and

- (d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

12.16.5. In addition, in order to avoid the Company breaching or incurring potentially onerous obligations under certain US securities laws (including ERISA), the Board has the power to impose such restrictions as it may think necessary for the purpose of ensuring that no shares in the Company are acquired or held by, or transferred to, any Non-Qualified Holder (as defined and further discussed in paragraph 12.24 below), including a power to refuse to register a transfer of shares if the transfer is in favour of any Non-Qualified Holder.

12.17. **Transmission of shares**

If a shareholder dies, the survivor or survivors, where he was a joint holder, and his personal representatives, where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares; but nothing contained in the Articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.

12.18. **Directors**

12.18.1. Unless otherwise determined by ordinary resolution of the Company, the number of Directors (disregarding alternate Directors) shall be not less than two and no more than six.

12.18.2. Unless otherwise determined from time to time by ordinary resolution of the Company, the fees for the services of the Directors shall not exceed, in aggregate, £250,000 per annum and such remuneration shall be divided between the Directors as the Board shall agree or, failing agreement, equally.

12.18.3. The Board, or any committee authorised by the Board, may from time to time appoint one or more Directors to hold any employment or executive office with the Company for such period (subject to the provisions of the Statutes) and upon such other terms as the Board or any committee authorised by the Board may in its discretion decide. Any Director who is appointed to any executive office may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board or any committee authorised by the Board may in its discretion decide.

12.18.4. Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from Board meetings, Board committee meetings or general meetings of the Company or any other meeting which as a Director he is entitled to attend and shall be paid all other costs and expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

12.18.5. At every annual general meeting of the Company, each Director shall retire from office and may offer himself for re-appointment by the members.

12.18.6. Except as detailed below, a Director shall not vote on, nor be counted in the quorum in relation to, any resolution of the Board in respect of any contract in which he has an interest which (taken together with any interest of any person connected with him) is to his knowledge an interest which he is aware, or ought reasonably to be aware, does conflict, or can reasonably be regarded as likely to give rise to a conflict, with the interests of the Company and, if he shall do so, his vote shall not be counted. These prohibitions shall not apply to any resolution concerning any of the following matters:

- (a) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiary undertakings for

which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- (c) the underwriting by him of any securities of the Company or any of its subsidiaries;
- (d) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- (e) any contract concerning any other company (not being a company in which the Director to his knowledge holds an interest of one per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the Company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
- (g) any contract for the benefit of the employees of the Company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (h) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors, or for the benefit of, persons who include directors.

12.18.7. In respect of any situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company, the Board may authorise the matter provided that:

- (a) the Director has declared the full nature and extent of the situation to the Board; and
- (b) it is proposed (either by the Director in question or another) that the Board authorise the matter and upon the resolution to do so the requirement for the quorum is met without counting the Director in question and the resolution was agreed to without such Director voting or would have been agreed if his vote had not been counted.

12.19. **Borrowing powers**

12.19.1. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities.

12.19.2. The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure that, save with the consent of the Company in general meeting, no money shall be borrowed if the aggregate principal amount outstanding of all net borrowings by the Company and/or any of its subsidiaries (excluding amounts borrowed by any such company from any other of them) then exceeds, or would as a result of such borrowing exceed 5 per cent. of the Total Assets at the time of drawdown.

For the purposes of the Articles, borrowings shall not include the ZDP Shares or any other class of shares nor their capital entitlement.

12.20. Record dates

The Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.

12.21. Reserves

12.21.1. The Board shall establish a reserve to be called the “capital reserve”, and shall either carry to the credit of such reserve all capital profits or appreciations arising on the sale, transposition, payment off of or revaluation of any investment or other capital asset of the Company in excess of the book value thereof or apply the same in providing for depreciation or contingencies.

12.21.2. Any losses realised on the sale, transposition, payment of or revaluation of any investment or other capital asset and any other expense, loss or liability (or provision therefor) considered by the Board to be of a capital nature may be carried to the debit of the capital reserve except in so far as the Board may in its discretion decide to make good the same out of other funds of the Company.

12.22. Liability of shareholders

The liability of the shareholders of the Company is limited to the amount, if any, unpaid on the shares held by them.

12.23. Indemnity

Subject to the provisions of the Statutes, the Company may indemnify any Director, or other officer (or any person who was at any time a Director, or other officer of the Company, or its predecessor in business, or of a holding undertaking or subsidiary undertaking of the Company) against any liability and may purchase and maintain for any such person insurance against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise in relation to the Company. Subject to those provisions but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director, former Director or other officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him in the execution of his duties in relation to the affairs of the Company, provided that the Articles shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause the Articles, or any Article, or of such indemnification, to be treated as void under the Statutes.

12.24 ERISA and US securities laws matters

In order to avoid the Company breaching or incurring potentially onerous obligations under certain US securities laws (including ERISA), the Board has the power to impose such restrictions as it may think necessary for the purpose of ensuring that no shares in the Company are acquired or held by, or transferred to (including a power to refuse to register a transfer of shares if the transfer is in favour of), any person to whom a sale or transfer of shares in the Company, or whose direct, indirect or beneficial ownership of shares, would or might (in the determination of the Board) have any of the following effects (any such person being a “**Non-Qualified Holder**”):

- (i) cause the Company to be required to register as an “investment company” under the US Investment Company Act (including because the holder of the shares is not a “qualified purchaser” as defined in the US Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled; or
- (ii) cause the Company to have to register or qualify itself or any of the shares in the Company under the US Securities Act or the US Exchange Act or any similar legislation, or with any securities regulatory authority or any state or other jurisdiction of the United States; or
- (iii) cause any of the Company’s appointed investment managers or investment advisers to have to register as an “investment adviser” under the US Investment Advisers Act of 1940, as amended, or any similar legislation; or

- (iv) cause the Company not to be considered a “foreign private issuer” as such term is defined in rule 3b-4(c) under the US Exchange Act; or
- (v) result in any shares in the Company being owned, directly or indirectly, by Benefit Plan Investors or Controlling Persons (as such terms are defined in the Articles) other than in the case of Benefit Plan Investors, shareholders that acquire the shares in the Company on Admission with the written consent of the Company, and, in the case of Controlling Persons, shareholders that acquire the shares in the Company with the written consent of the Company; or
- (vi) cause the assets of the Company to be considered “plan assets” under the Plan Asset Regulations (as defined in the Articles); or
- (vii) cause the Company to be a “controlled foreign corporation” for the purposes of the US Tax Code; or
- (viii) result in shares in the Company being owned by a person whose giving, or deemed giving, of the representations as to ERISA and other matters set forth in the Articles is or is subsequently shown to be false or misleading; and/or
- (ix) cause the Company to be in violation of the US Investment Company Act, the US Exchange Act, ERISA, the US Tax Code or any applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA or Section 4975 of the US Tax Code.

In addition, the Board has the power to give notice in writing to any holder requiring them, within such period as may be specified in the notice, to deliver to the Company such information, evidence, certificates and statutory declaration as to their place of residence, citizenship or domicile and any such other information as the Board may require to establish that such person is not a Non-Qualified Holder or is otherwise qualified to hold shares in the Company. If such information, evidence, certificates and/or statutory declaration are not delivered to the Company within the specified period, or if it comes to the notice of the Board that any shares in the Company are owned directly, indirectly or beneficially by any Non-Qualified Holder, the Directors may, under the Articles, serve a notice upon the relevant shareholder requiring them to transfer their shares to an eligible transferee within 14 days of such notice; and if the obligation to transfer is not met, the Company may compulsorily transfer the shares in a manner consistent with the restrictions set forth in the Articles. Pending such transfer the Board may, in its discretion, direct that in respect of such shares the member shall not be entitled to attend or to vote (either personally or by proxy) at a general meeting of the Company or to exercise any other rights conferred by membership in relation to general meetings of the Company, and, except in a liquidation of the Company no payment shall be made of any sums due from the Company on such shares, whether in respect of capital or dividend or otherwise.

13. CITY CODE ON TAKEOVERS AND MERGERS

13.1. Mandatory bid

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

- any person acquires, whether by a series of transactions over a period of time or otherwise, an interest in shares which, when taken together with shares in which they and persons acting in concert with them are interested, carry 30 per cent. or more of the voting rights in the Company; or
- any person, together with persons acting in concert with them, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with them, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which they are interested, such person would be required (except with the consent of the Panel) to make a cash or cash alternative offer for the outstanding shares at a price not

less than the highest price paid for any interests in the shares by them or their concert parties during the previous 12 months. Such an offer must only be conditional on: (i) the person having received acceptances in respect of shares which (together with shares already acquired or agreed to be acquired) will result in the person and any person acting in concert with them holding shares carrying more than 50 per cent. of the voting rights; and (ii) no reference having been made in respect of the offer to the Competition and Markets Authority by either the first closing date or the date when the offer becomes or is declared unconditional as to acceptances, whichever is the later.

A person not acting, or presumed not to be acting, in concert with any one or more of the directors of a company will not normally incur an obligation to make a mandatory offer under Rule 9 if, as a result of the redemption or repurchase of shares by that company, they come to exceed the percentage limits set out in Rule 9.

The Panel must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant.

13.2. **Compulsory acquisition**

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of a class of shares of a company (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares of that class held by holders that have not assented to the offer. It would do so by sending a notice to the holders of shares of that class indicating that it is desirous of acquiring such outstanding shares whereupon the offeror will become entitled and bound to acquire such shares. At the end of six weeks from the date of such notice it would execute a transfer of such outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the holders of such outstanding shares subject to the transfer. The consideration offered to the holders whose outstanding shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

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

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

14. **MATERIAL CONTRACTS**

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the Company is a party or which contains any provision under which the Company has any obligation or entitlement which is material to it as at the date of this Prospectus.

14.1 **The Investment Management Agreement**

The Investment Management Agreement between the Company and the Investment Manager dated 28 May 2024 whereby the Company appoints the Investment Manager (subject to the instructions and directions of the Directors and to the investment policy of the Company) to manage the investments and other assets of the Company, to act as the Company's alternative investment fund manager and to provide secretarial and administrative services to the

Company. The Company will pay to the Investment Manager a fee calculated and payable quarterly in advance, equal to 0.1875 per cent. of the Company's Total Assets (exclusive of VAT which will be added where applicable) at the end of the quarter preceding that to which the fee relates. Assuming a constant level of Total Assets, this would be equivalent to 0.75 per cent. of Total Assets over the course of a year.

The appointment of Aberforth Partners as investment manager is subject to termination (a) by either party giving to the other not less than six months' written notice or (b) on the later of (i) the Planned Winding Up Date (or such later winding up date as the Shareholders may determine in accordance with the Articles) and (ii) such date as the Investment Manager and the Company may agree in order to allow for an orderly cessation of management of the Company's investments or for any other purpose. The appointment may be terminated by the Company by a lesser period of notice although there shall be payable to the Investment Manager by the Company compensation of an amount equal to the fee which the Investment Manager would have been entitled to receive if it had continued to supply investment management services for the unexpired notice period.

The Company has agreed to indemnify the Investment Manager against all costs, claims and demands incurred or suffered by the Investment Manager arising out of the proper performance of its duties pursuant to the Investment Management Agreement save to the extent that such costs, claims or demands arise from the negligence, wilful default or fraud on the part of the Investment Manager (or its officers, members or employees) or from a material breach of the Investment Management Agreement or any applicable laws by the Investment Manager.

The Investment Management Agreement is governed by English law.

14.2 **The Cost Contribution Agreement**

The Cost Contribution Agreement between the Company and the Investment Manager dated 28 May 2024 whereby the Investment Manager has agreed to pay up to £450,000 of the Company's costs and expenses (including its advisors fees) in relation to the publication of this document and/or Admission.

14.3 **The Sponsor and Placing Agreement**

The Company, the Investment Manager and J.P. Morgan Cazenove have entered into the Sponsor and Placing Agreement on 28 May 2024 in terms of which J.P. Morgan Cazenove has conditionally agreed to act as the Company's Sponsor and to use reasonable endeavours to procure persons to acquire Shares in the Placing. The obligations of J.P. Morgan Cazenove under the Sponsor and Placing Agreement are conditional upon, *inter alia*, the Minimum Share Subscription Amount being received by the Company, the passing of the Resolutions at the first general meeting being convened by ASLIT on 20 June 2024 and the passing of the first Resolution at the second general meeting being convened by ASLIT on 28 June 2024 and the Admission Condition being satisfied on the Scheme Effective Date. J.P. Morgan Cazenove will have the right to terminate the Sponsor and Placing Agreement (and therefore abort Admission) in the *inter alia* event of a material adverse event occurring or there has been a change in national or international financial, political, economic or market conditions which would, in the opinion of J.P. Morgan Cazenove (acting in good faith) make it inadvisable to proceed with the Offer Issue. Subject to the Sponsor and Placing Agreement becoming unconditional, the Company shall pay to J.P. Morgan Cazenove, a commission of 2.0 per cent. of the gross proceeds of the issue of the Ordinary Shares and the ZDP Shares under the Placing and Offer for Subscription and a commission equal to 0.25 per cent. of the value of the ASLIT Rollover Portfolio (excluding any shares subscribed by the current partners of Aberforth Partners and/or their connected persons). J.P. Morgan Cazenove is also entitled to be paid its legal expenses incurred in connection with the Issue up to a capped amount of £67,500 (exclusive of VAT if any).

Under the Sponsor and Placing Agreement, the Company and the Investment Manager (subject to certain agreed caps) have given certain warranties and indemnities to J.P. Morgan Cazenove. These warranties and indemnities are customary for an agreement of this nature.

The Sponsor and Placing Agreement is governed by English law.

14.4 The Depositary Agreement

The Company, the AIFM and the Depositary have entered into an agreement dated 28 May 2024 pursuant to which the Depositary agrees to provide depositary, custodian and certain other services to the Company. The Depositary shall also be responsible for ensuring that the Company's cash flows are properly monitored.

Pursuant to the terms of the Depositary Agreement, the Depositary will receive a depositary fee, payable quarterly in arrears, equal to 0.0095 per cent. of the Net Asset Value. There will also be safe-keeping and transaction fees, the level of which will vary depending on the market on which the securities are listed and number of transactions undertaken (and which is expected to be paid directly to the Custodian). The Depositary Agreement may be terminated by any party giving to the others not less than six months' written notice. The Depositary Agreement may be terminated immediately by any party on notice in writing following the AIFM or the Depositary suffering an insolvency event.

The Depositary Agreement contains certain customary undertakings and indemnities by the Company and the AIFM in favour of the Depositary.

It is proposed that the Depositary delegate its obligations in respect of the safe keeping of the Company's investments to the Custodian. The Depositary has not contractually discharged any of its liabilities under the Depositary Agreement in respect of the delegated services.

The Depositary Agreement is governed by English law.

14.5 The Registrar Agreement

The Company and the Registrar have entered into an agreement dated 28 May 2024 pursuant to which the Registrar is appointed to act as registrar to the Company.

The Registrar Agreement is for an initial period of three years and thereafter it may be terminated by either party on not less than six months notice provided such notice is given prior to the end of the initial three year period or at the end of any successive 12 month period but only where such notice is given at least 6 months prior to the end of such successive 12 month period. The Registrar Agreement is also subject to immediate termination on the occurrence of certain events, including material and continuing breach or insolvency.

The Registrar is also entitled to certain maintenance account fees and transaction fees under the Registrar Agreement, which are all subject to a global fee arrangement of £25,000 per annum which includes all out of pocket costs and expenses.

The Registrar Agreement contains a provision whereby the Company indemnifies the Registrar and its affiliates against any and all losses, damages, liabilities, professional fees, court costs and expenses resulting or arising from the Company's breach of the agreement and, in addition, any third party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted solely from the fraud, wilful default or negligence on the Registrar (or its affiliate's part). The indemnity is customary for an agreement of this nature.

The Registrar Agreement is governed by English law.

14.6 The Receiving Agent Agreement

The Company and the Receiving Agent have entered into an agreement dated 28 May 2024 pursuant to which the Receiving Agent is appointed to act as receiving agent to the Company in relation to the Issues.

Under the terms of the Receiving Agent Agreement the Receiving Agent is entitled to customary fees and the reimbursement of all out of pocket expenses.

The Receiving Agent Agreement contains a provision whereby the Company indemnifies the Receiving Agent and its affiliates against any and all losses, damages, liabilities, professional fees, court costs and expenses resulting or arising from the Company's breach of the agreement and, in addition, any third party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted solely from the fraud, wilful default or negligence on the Receiving Agent (or its affiliate's part). The indemnity is customary for an agreement of this nature.

The Receiving Agreement is governed by English law.

15. INVESTMENT RESTRICTIONS

- 15.1. The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part 2 of this Prospectus.
- 15.2. In accordance with the requirements of the FCA, the Company will not make any material change to its published investment policy without the prior approval of the FCA and the approval of its Shareholders by ordinary resolution. Such an alteration would be announced by the Company through a Regulatory Information Service.
- 15.3. In the event of a breach of the investment policy set out in Part 2 of this Prospectus and the investment restrictions set out therein, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

16. THIRD PARTY INFORMATION AND CONSENTS

- 16.1. Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 16.2. J.P. Morgan Cazenove is acting as Sponsor and Placing Agent to the Company in relation to the Issues and has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 16.3. The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear. The Investment Manager has given and not withdrawn its (i) written consent to the inclusion in this Prospectus of the information and opinions attributable to the Investment Manager contained in and (ii) authorisation of the content of this Prospectus contained in, the "Risk Factors", Part 1 (Investment Highlights), Part 2 (Aberforth Geared Value & Income Trust plc), Part 3 (Investment Opportunity and Outlook) and Part 5 (The Assumptions). To the best of the knowledge of the Investment Manager, the information contained in the parts of the Prospectus for which it is responsible is in accordance with the facts and those parts make no omission likely to affect their import.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at any time on the Company's website at <https://aberforth.co.uk/trusts-and-funds/aberforth-geared-value-income-trust-plc>.

- 17.1.1. the memorandum of association of the Company and the Articles; and
- 17.1.2. this Prospectus.

18. AVAILABILITY OF THIS DOCUMENT

This document is available for inspection on the Company's website (<https://aberforth.co.uk/trusts-and-funds/aberforth-gearred-value-income-trust-plc>) and on the National Storage Mechanism (<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>).

28 May 2024

PART 10

DEFINITIONS

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

Aberforth Cost Contribution	the contribution, in cash, of up to £450,000 in respect of costs and expenses incurred by the Company's advisers and third party service providers in relation to its launch which Aberforth Partners have agreed to pay to such advisers and third party service providers on behalf of the Company
Admission	<p>the admission of:</p> <ul style="list-style-type: none">• the Ordinary Shares to be issued pursuant to the Issues to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market; and• the ZDP Shares to be issued pursuant to the Issues to the standard listing segment of the Official List and to trading on the London Stock Exchange's Main Market, <p>in each case becoming effective in accordance with the Listing Rules and the Admission and Disclosure Standards</p>
Admission and Disclosure Standards	the admission and disclosure standards of the London Stock Exchange for securities admitted or seeking to be admitted to trading, as amended from time to time
Admission Date	the date on which Admission becomes effective (expected to be 1 July 2024)
AGIT	Aberforth Geared Income Trust plc
AIC	the Association of Investment Companies
AIC Code	the 2019 AIC Code of Corporate Governance, as revised or updated from time to time
AIFM or Aberforth Partners or Investment Manager or Company Secretary	Aberforth Partners LLP, a limited liability partnership incorporated in England and Wales with registered number OC313353, and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
AIFMD	the Alternative Investments Fund Managers Directive
AIM	the London Stock Exchange's international market for smaller growing companies
Application Form	the application form attached as Appendix 1 to this Prospectus for use in connection with the Offer for Subscription
Articles or Articles of Association	the articles of association of the Company, as amended from time to time
ASCoT	Aberforth Smaller Companies Trust plc

ASLIT	Aberforth Split Level Income Trust plc, a public limited company incorporated in England and Wales with registered number 10730910, and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
ASLIT Directors	the directors of ASLIT, from time to time
ASLIT Ordinary Shareholder	a holder of ASLIT Ordinary Shares
ASLIT Ordinary Shares	ordinary shares of 1 penny each in the capital of ASLIT
ASLIT Portfolio	ASLIT's portfolio of investments prior to the Effective Date
ASLIT Register	the register of members of ASLIT
ASLIT Resolutions	the resolutions to be proposed at the First ASLIT General Meeting and/or the Second ASLIT General Meeting, or any of them as the context may require
ASLIT Rollover Portfolio	the pools of assets representing the entitlements of ASLIT Shareholders who elect (or are deemed to elect) for the Rollover Option, taking account of any scaling back as may be required, which are to be transferred to the Company pursuant to the ASLIT Scheme
ASLIT Scheme or Scheme	the proposed scheme of reconstruction and members' voluntary winding up of ASLIT under section 110 of the Insolvency Act, pursuant to which the Scheme Issue shall be undertaken
ASLIT Shareholder	an ASLIT Ordinary Shareholder and/or ASLIT ZDP Shareholder, as the context may require
ASLIT Shares	the ASLIT Ordinary Shares and/or the ASLIT ZDP Shares, as context may require
ASLIT ZDP Shareholder	a holder of ASLIT ZDP Shares
ASLIT ZDP Shares	ZDP shares with a nominal value of 1 penny each in the capital of ASLIT
Assumptions	the principal bases and assumptions set out in Part 5 of this Prospectus
Audit Committee	the committee of this name established by the Board and having the duties described in the section titled "Audit Committee" in Part 4 of this document
Board	the board of Directors of the Company from time to time, including any duly constituted committee thereof
Business Day	a day on which the London Stock Exchange and banks in London are normally open for business
Calculation Date	the time and date to be determined by the ASLIT Board (but expected to be 5.00 p.m. on 21 June 2024) at which the value of ASLIT's assets and liabilities will be determined for the purposes of creating the Liquidation Pool, the Cash Pool and the ASLIT Rollover Portfolio, and at which the formula asset values for each of the ASLIT Ordinary Shares and the ASLIT ZDP Shares will be calculated for the purposes of the Scheme

CAGR	compound annual growth rate
certificated or in certificated form	a share or other security which is not in uncertificated form
Chair	the chair of the Board
Common Reporting Standard or CRS	the global standard for the automatic exchange of financial information between tax authorities developed by the OECD
Companies Act	the UK Companies Act 2006, as amended from time to time
Company or AGVIT	Aberforth Geared Value & Income Trust plc, a public company limited by shares incorporated in England and Wales with registered number 15602886, and having its registered office at Level 4, Dashwood House, 69 Old Broad Street, London EC2M 1QS
Corporation Tax Act or CTA 2010	the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
Cover per ZDP Share	the ratio of the net assets of the Company as at a specified date (excluding revenue reserves) to the sum of the final capital entitlement of the ZDP Shares plus an amount equal to the estimated aggregate costs charged to capital to the Planned Winding Up Date and the estimated winding up costs (and, for the avoidance of doubt, neither the ZDP Shares nor their capital entitlement shall be treated as borrowings when calculating the net assets of the Company for these purposes)
CREST	the “relevant system” as defined in the Uncertificated Securities Regulations in respect of which Euroclear is operator (as defined in the Uncertificated Securities Regulations), in accordance with which securities may be held in uncertificated form
CREST Account	an account in CREST
Depository	NatWest Trustee and Depository Services Limited, a private limited company incorporated in England and Wales with registered number 11194605, and having its registered office at 250 Bishopsgate, London EC2M 4AA
Depository Agreement	the agreement dated 28 May 2024 and entered into between the Company, AIFM and the Depository, which is summarised in paragraph 14.4 of Part 9 of this Prospectus
Directors	the directors of the Company, from time to time
Disclosure Guidance and Transparency Rules	the UK disclosure guidance and transparency rules made by the FCA under Part VI of FSMA, as amended from time to time
Dissenting ASLIT Shareholder	an ASLIT Shareholder who validly dissents from the Scheme pursuant to section 111(2) of the Insolvency Act
DNSCI (XIC)	The Deutsche Numis Smaller Companies Index (Excluding Investment Companies). Prior to 2024, known as the Numis Smaller Companies Index (Excluding Investment Companies)

DP Legislation	the applicable data protection legislation (including the UK GDPR, the UK Data Protection Act 2018, as amended from time to time, and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate
DvP	delivery versus payment
EEA	the European Economic Area
EEA Member State	any member state of the EEA from time to time
Effective Date	the date on which the Scheme becomes effective, which is expected to be 28 June 2024
ERISA	the US Employment Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
ESG	environmental, social and governance
EU AIFM Delegated Regulation	the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
EU AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 and the EU AIFM Delegated Regulation
EU Market Abuse Regulation or EU MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing the Directive of the European Parliament and of the Council of 28 January 2003 and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
EU PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (“ PRIIPs ”) and its implementing and delegated acts
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
Euroclear	Euroclear UK & International Limited, a private limited company incorporated in England and Wales with registered number 02878738, and having its registered office at 33 Cannon Street, London EC4M 5SB, the operator of CREST
European Union or EU	the European Union

FATCA	sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act (together with any regulations, rules and other guidance implementing such sections and any applicable IGA or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
FCA or Financial Conduct Authority	the Financial Conduct Authority of the United Kingdom whose place of business is at 12 Endeavour Square, London E20 1JN, including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
Final Capital Entitlement	the accrued capital entitlement of a ZDP Share on the Planned Winding-up Date (being 160.58 pence per ZDP Share) or, if lower, the amount per ZDP Share to which a ZDP Shareholder would be entitled, and would receive on a winding-up of the Company
FSMA	the UK Financial Services and Markets Act 2000, as amended from time to time, and any statutory modification or re-enactment thereof for the time being in force
First ASLIT General Meeting	the general meeting of ASLIT in relation to the Scheme convened for 10.00 a.m. on 20 June 2024 or any adjournment of that meeting
Gross Redemption Yield or GRY	the annually compounded rate of interest at which the total discounted value of the planned future payment of capital equates to the ZDP Share price at the date of calculation
HMRC	His Majesty's Revenue & Customs
Insolvency Act	the UK Insolvency Act 1986, as amended from time to time
Investment Managers	the investment management team of the Company from time to time currently made up of six individuals who are partners or employees of Aberforth Partners
Investment Management Agreement	the investment management agreement dated 28 May 2024 between the Company and the Investment Manager, as summarised in paragraph 14.1 of Part 9 of this Prospectus
Investment Trust Tax Regulations	the UK Investment Trust (Approved Company) (Tax) Regulations 2011
IRS	the US Internal Revenue Service
ISA	a UK individual savings account
ISIN	International Securities Identification Number
Issues	the Scheme Issue and Offer Issue
Issue Price	100 pence per Ordinary Share and 100 pence per ZDP Share
Japan	Japan, its cities, prefectures, territories and possessions

J.P. Morgan Cazenove, JPMC, Sponsor or Placing Agent	J.P. Morgan Securities plc (which carries on its UK investment banking activities as J.P. Morgan Cazenove), a public limited company incorporated and registered in England and Wales with registered number 02711006, and having its registered office at 25 Bank Street, Canary Wharf, London E14 5JP
Key Information Documents or KIDs	the Ordinary Shares KID and/or ZDP Shares KID, as the context may require
LEI	Legal Entity Identifier
Link Group or Receiving Agent or Registrar	Link Group, the trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568, and having its registered office at Central Square, 29 Wellington Street, Leeds LS1 4DL
Liquidation Pool	the pool of assets of ASLIT to be retained by the Liquidators to meet all known and unknown liabilities of ASLIT and other contingencies
Liquidators	Derek Neil Hyslop and Richard Peter Barker of Ernst & Young LLP
Listing Rules	the listing rules made by the FCA under Part VI of FSMA, as amended from time to time
London Stock Exchange	London Stock Exchange plc, a public limited company incorporated in England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London EC4M 7LS
Main Market	The London Stock Exchange's main market for listed securities
MiFID II Product Governance Requirements	has the definition given in the section titled "Information to Distributors" in the Part entitled "Important Information" of this Prospectus
Minimum Net Proceeds	the Minimum Share Subscription Amount less the costs and expenses of the Issues, which is expected to be approximately £74.1 million (or such lesser amount as the Company, the Investment Manager and the Sponsor may determine and notify investors through a Regulatory Information Service and a supplementary prospectus)
Minimum Share Subscription Amount	£75 million, being the aggregate subscription, election and/or application amount for 54,545,455 Ordinary Shares and 20,454,545 ZDP Shares under the Issues
NAV or Net Asset Value	the net assets attributable to the Ordinary Shares and/or ZDP Shares as the context required (being the accrued capital entitlement of the ZDP Shares from time to time) on the relevant date calculated on the basis of the Company's normal accounting principles and policies
New Zealand	New Zealand, its territories, possessions and all areas under its jurisdiction and political sub divisions thereof

Net Asset Value per Share or NAV per Share	the net asset value of an Ordinary Share in pence and/or a ZDP Share in pence as the context requires (being the accrued capital entitlement of a ZDP Share from time to time) on the relevant date calculated on the basis of the Company's normal accounting principles and policies
Net Issue Proceeds	the aggregate proceeds agreed to be subscribed under the Placing and Offer for Subscription less an amount equal to the aggregate costs and expenses (including stamp duty) incurred and to be incurred by the Company in relation to the Proposals (following any scaling back)
Non-Qualified Holder	has the definition given in the section titled "Articles of Association" in Part 9 (<i>General Information</i>) of this Prospectus
OECD	the Organisation for Economic Co-operation and Development
Offer Issue	the issue of Ordinary Shares and ZDP Shares under the Placing and Offer for Subscription
Offer for Subscription	the offer for subscription of Ordinary Shares and ZDP Shares as described in this Prospectus
Official List	the official list maintained by the FCA
Ordinary Cash Option	the option for ASLIT Ordinary Shareholders to receive cash in respect of some or all of their holding of ASLIT Ordinary Shares under the ASLIT Scheme
Ordinary Rollover Option	the option available to ASLIT Ordinary Shareholders to be deemed to have elected, pursuant to the ASLIT Scheme, to rollover some or all of their investment in ASLIT into Ordinary Shares at 100 pence per Ordinary Share
Ordinary Shareholder	a holder of Ordinary Shares
Ordinary Shares KID	the key information document published by the Company in respect of the Ordinary Shares
Ordinary Shares	ordinary shares of one penny each in the capital of the Company
Overseas ASLIT Shareholders	ASLIT Shareholders who have a registered address in, or who are resident in, or citizens, residents or nationals of, any jurisdiction outside of the United Kingdom, the Channel Islands or the Isle of Man
Pandemic	the outbreak of the infectious disease known as COVID-19 (a novel coronavirus disease), the spread of which was declared as a transnational and continental pandemic by the World Health Organisation on 11 March 2020
Placing	the conditional placing of Ordinary Shares and ZDP Shares by J.P. Morgan Cazenove as described in this Prospectus
Planned Life	the period from the date of the incorporation of the Company to the Planned Winding Up Date
Planned Winding Up Date	30 June 2031

Portfolio	the portfolio of investments in which the funds of the Company are invested from time to time
PRA	the Prudential Regulation Authority of the United Kingdom and any organisation which may replace it or take over the conduct of its affairs
Proposals	the proposals for the Company's participation in the Scheme and the Placing and Offer for Subscription
Proposed Auditor	with effect from Admission, Johnston Carmichael LLP, a limited liability partnership incorporated and registered in Scotland with registered number SO303232, and having its registered office at Bishop's Court 29 Albyn Place, Aberdeen AB10 1YL
Prospectus	this document
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA under section 73A of FSMA, as amended from time to time
Proposals	the proposals for the Company's participation in the ASLIT Scheme and the Placing and Offer for Subscription
QIB	a "qualified institutional buyer" as defined in Rule 144A of the US Securities Act
Qualified Purchaser or QP	a "qualified purchaser" as defined in Section 2(a)(51)(A) of the US Investment Company Act
Redeemable Preference Shares	redeemable preference shares of £1.00 each in the capital of the Company held, at the date of this Prospectus, by Scott Wallace, a partner of Aberforth Partners
Registrar Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 14.5 of Part 9 of this Prospectus
Regulation S	Regulation S promulgated under the US Securities Act, as amended from time to time
Regulatory Information Service	a regulatory information service authorised by the FCA to release regulatory announcements to the London Stock Exchange
Remaining ASLIT Portfolio	the remaining assets of ASLIT including securities (at bid prices), cash and other assets as at the Effective Date which do not form part of the ASLIT Rollover Portfolio
Republic of South Africa	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub divisions thereof
Rollover Option	the option for (or the deemed election of) ASLIT Shareholders to receive Ordinary Shares and/or ZDP Shares in respect of some or all of their existing shareholding in ASLIT under the ASLIT Scheme
Rule 144A	Rule 144A under the US Securities Act

Second ASLIT General Meeting	the general meeting of ASLIT in relation to the Scheme convened for 10.00 a.m. on 28 June 2024 or any adjournment of that meeting
Scheme	the proposed scheme of reconstruction and members' voluntary winding up of ASLIT under section 110 of the Insolvency Act, pursuant to which the Scheme Issue will be undertaken, the terms of which are set out in Part 4 of the shareholder circular published by ASLIT on or around the date of this Prospectus
Scheme Issue	the issue of Ordinary Shares and/or ZDP Shares, as the context may require, to ASLIT Shareholders who have elected or are deemed to have elected for the Rollover Option pursuant to the Scheme
SEC	the United States Securities and Exchange Commission
SEDOL	the Stock Exchange Daily Official List
Shareholder	a holder of Shares
Shares	the Ordinary Shares and/or ZDP Shares, as the context may require
Small UK quoted companies	quoted companies having a market capitalisation, at the time of investment, equal to or lower than the largest company in the bottom 10 per cent., by market capitalisation, of the London Stock Exchange's Main Market or companies in the Deutsche Numis Smaller Companies Index (excluding investment companies)
Sponsor and Placing Agreement	the sponsor and placing agreement between the Company, the Investment Manager and J.P. Morgan Cazenove, a summary of which is set out in paragraph 14.3 of Part 9 of this Prospectus
Sterling, £ or GBP	pounds sterling, the lawful currency of the UK
Takeover Code	the UK City Code on Takeovers and Mergers
Tax Residency Self-Certification Form	the tax residency self-certification form attached as Appendix 2 to this Prospectus
The Northern Trust Company or Custodian	The Northern Trust Company, a UK establishment of The Northern Trust Company with UK establishment number BR001960, and having its UK establishment office address 50 Bank Street, London E14 5NT
Total Assets	the aggregate gross value of the assets of the Company less the current liabilities of the Company and, for the avoidance of doubt, neither the ZDP Shares nor their capital entitlement shall be treated as a liability in this context regardless of their classification on the Company's balance sheet, the method of calculation of which may be updated from time to time in accordance with the accounting policies adopted by the Company
Tracked Universe	the companies closely tracked by the Investment Managers within the investment universe (DNSCI (XIC))
TTE	a transfer of escrow instruction as defined in the CREST manual

UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK AIFMD Laws	<ul style="list-style-type: none"> • the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFM Directive into UK law before 31 January 2020, as amended from time to time; and • the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time
UK Corporate Governance Code	UK Corporate Governance Code published by the Financial Reporting Council
UK GAAP	Generally Accepted Accounting Practice in the UK
UK GDPR	the UK version of the EU GDPR (2016/679) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019
UK MAR	the UK version of the EU Market Abuse Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
UK MiFID Laws	the UK's implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, together with the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, which forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
UK PRIIPs Laws	the UK version of the EU PRIIPs Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
UK Prospectus Regulation	the UK version of the EU Prospectus Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including by the UK Prospectus Amendment Regulations 2019))
uncertificated or in uncertificated form	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST

Uncertificated Securities Regulations	any provision of the Companies Act relating to uncertificated shares (including the holding, evidencing of title to, or transfer of uncertificated shares) and any legislation, rules or other arrangements made under or by virtue of such provision, including, without limitation, the Uncertificated Securities Regulations 2001, as amended from time to time
US ASLIT Shareholder	an ASLIT Shareholder that is in the United States or is a US Person
US Exchange Act	the US Securities Exchange Act of 1934, as amended
US Investment Company Act	the US Investment Company Act of 1940, as amended
US Investor Representation Letter	a representation letter that must be completed by US ASLIT Shareholders in order to participate in the Scheme
US Person	a “U.S. person” as such term is defined under Regulation S
US Securities Act	the US Securities Act of 1933, as amended
US Tax Code	the US Internal Revenue Code of 1986, as amended
US-UK IGA	the IGA between the UK and the US pursuant to which parts of FATCA have effectively been incorporated into UK law
VAT	value added tax
ZDP Cash Option	the option available to ASLIT ZDP Shareholders to receive cash in respect of some or all of their investment in ASLIT
ZDP Rollover Ordinary Option	the option available to ASLIT ZDP Shareholders to elect, pursuant to the ASLIT Scheme, to rollover some or all of their investment in ASLIT into Ordinary Shares at 100 pence per Ordinary Share
ZDP Rollover Zero Option	the option available to ASLIT ZDP Shareholders to elect (or be deemed to have elected), pursuant to the ASLIT Scheme, to rollover some or all of their investment in ASLIT into ZDP Shares at 100 pence per ZDP Share
ZDP Shareholders	the holders of ZDP Shares
ZDP Shares KID	the key information document published by the Company in respect of the ZDP Shares
ZDP Shares	the zero dividend preference shares of one penny each in the capital of the Company

PART 11

TERMS AND CONDITIONS OF THE PLACING

1. Introduction

- 1.1 Ordinary Shares and ZDP Shares are available under the Placing at the Issue Price (being £1.00 per Share).
- 1.2 Each Placee which confirms its agreement to JPMC to subscribe for Ordinary Shares and/or ZDP Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3 The Company and/or JPMC may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit.
- 1.4 The commitment to acquire Ordinary Shares and/or ZDP Shares under the Placing will be agreed orally with JPMC as agent for the Company and further evidenced in a contract note ("**Contract Note**") or placing confirmation ("**Placing Confirmation**").

2 Agreement to subscribe for Ordinary Shares and/or ZDP Shares and conditions

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares and/or ZDP Shares allocated to it by JPMC at the Issue Price, conditional on:
 - (a) the Sponsor and Placing Agreement becoming unconditional in all respects (save for the Admission Condition) before the Scheme Effective Date and not having been terminated on or before the date of Admission;
 - (b) the Admission Condition being satisfied;
 - (c) JPMC confirming to the Placees its allocation of Ordinary Shares and ZDP Shares.
- 2.2 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3 Payment for Ordinary Shares and ZDP Shares

- 3.1 Each Placee must pay the relevant issue price for the Ordinary Shares and ZDP Shares issued to the Placee in the manner and by the time directed by JPMC. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Ordinary Shares and/or ZDP Shares may, at the discretion of JPMC, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant issue price for the Ordinary Shares and/or ZDP Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and JPMC elects to accept that Placee's application, JPMC may sell all or any of the Ordinary Shares and/or ZDP Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for JPMC's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Ordinary Shares and/or ZDP Shares on such Placee's behalf.

4 Representations and Warranties

- 4.1 By agreeing to subscribe for Ordinary Shares and/or ZDP Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares and/or ZDP Shares will (for itself and any person(s) procured by it to subscribe for such Shares and any nominee(s) for any such

person(s)) be deemed to represent, warrant, undertake, agree and acknowledge to each of the Company, the Investment Manager, the Registrar and JPMC that:

- 4.1.1 in agreeing to subscribe for Ordinary Shares and/or ZDP Shares under the Placing, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company and/or the Placing. It agrees that none of the Company, the Investment Manager, JPMC or the Registrar, nor any of their respective officers, agents, or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 4.1.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares and/or ZDP Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager, JPMC or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;
- 4.1.3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring the Ordinary Shares and/or ZDP Shares on the terms and subject to the conditions set out in this Part 11 (*Terms and Conditions of the Placing*) of this document and the Articles as in force at the date of Admission of the relevant Shares;
- 4.1.4 if it is acquiring the Ordinary Shares and/or ZDP Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make (and it does make) the representations, warranties, undertakings, agreements and acknowledgements herein on behalf of each such account;
- 4.1.5 it makes the representations, warranties, undertakings, agreements and acknowledgements set out in this document, including:
 - (a) it is located outside the United States and is acquiring the Ordinary Shares and/or ZDP Shares in an "offshore transaction" in compliance with Regulation S;
 - (b) it is not a US Person;
 - (c) neither the Ordinary Shares nor the ZDP Share have been and they will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within the United States;
 - (d) the Company has not been and will not be registered under the US Investment Company Act and as such investors are not and will not be entitled to the benefits of the US Investment Company Act;
 - (e) it is not acquiring the Ordinary Shares and/or the ZDP Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the US Securities Act) or any directed selling efforts (as that term is defined in Regulation S) and that its purchase of the Ordinary Shares and/or ZDP Shares is not part of a plan or scheme to evade the registration requirements of the US Securities Act;
 - (f) it is acquiring the Ordinary Shares and/or ZDP Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for any

distribution, sale or other transfer of the Shares in any manner that would violate the US Securities Act or any other applicable laws; and

- (g) no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares and/or ZDP Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a “plan” as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Tax Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, its purchase, holding, and disposition of the Ordinary Shares and/or ZDP Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (h) it has not relied on JPMC or any person affiliated with JPMC in connection with any investigation of the accuracy of any information contained in this document;

- 4.1.6 the content of this document is exclusively the responsibility of the Company and its Directors and neither JPMC nor any person acting on its behalf nor any of its or their respective Affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document, any such supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Placing based on any information, representation or statement contained in this document, such supplementary prospectus or otherwise;
- 4.1.7 it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this document and any supplementary prospectus issued by the Company prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or JPMC;
- 4.1.8 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);
- 4.1.9 if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Ordinary Shares and/or ZDP Shares may otherwise lawfully be offered under such Order and/or is a person who is a “professional client” or an “eligible counterparty” within the meaning of Chapter 3 of the FCA’s Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Ordinary Shares and/or the ZDP Shares may be lawfully offered under that other jurisdiction’s laws and regulations;
- 4.1.10 if it is a resident in the EEA: (a) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and (b) if the relevant member state of the EEA has implemented the EU AIFM Directive, that it is a person to whom the Ordinary Shares and/or ZDP Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of that relevant member state;
- 4.1.11 in the case of any Ordinary Shares or ZDP Shares acquired by a Placee as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation or UK

Prospectus Regulation (as applicable): (i) the Ordinary Shares and/or ZDP Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any member state of the EEA or the UK other than qualified investors, as that term is defined in the EU Prospectus Regulation or UK Prospectus Regulation (as applicable) or in circumstances in which the prior written consent of JPMC has been given to the offer or resale; or (ii) where the Ordinary Shares and/or ZDP Shares have been acquired by it on behalf of persons in any members state of the EEA or the UK other than qualified investors, the offer of those Ordinary Shares and/or ZDP Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation as having been made to such persons;

- 4.1.12 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Ordinary Shares and/or ZDP Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no document is being issued by JPMC in connection with the Placing in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- 4.1.13 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Ordinary Shares and/or ZDP Shares in, from or otherwise involving, the United Kingdom;
- 4.1.14 it is aware of the provisions regarding insider dealing in the United Kingdom under the Criminal Justice Act 1993, UK MAR and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with any obligations imposed by such statutes;
- 4.1.15 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Ordinary Shares or ZDP Shares or possession of this document (and any supplementary prospectus issued by the Company prior to Admission), in any country or jurisdiction where action for that purpose is required;
- 4.1.16 if it is acting as a “distributor” (for the purposes of MiFID II Product Governance Requirements):
- (a) it acknowledges that the Target Market Assessment undertaken by the Investment Manager and JPMC does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares and/or ZDP Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and ZDP Shares and determining appropriate distribution channels;
 - (b) notwithstanding any Target Market Assessment undertaken by the Investment Manager and JPMC, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Ordinary Shares and/or ZDP Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market; and
 - (c) it acknowledges that the price of the Ordinary Shares and/or ZDP Shares may decline and investors could lose all or part of their investment; the Ordinary Shares and ZDP Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares and/or ZDP Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment

and who have sufficient resources to be able to bear any losses that may result therefrom;

- 4.1.17 that, save in the event of fraud on the part of JPMC, neither JPMC, its ultimate holding company nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to such Placee or any of its clients for any matter arising out of JPMC's role as placing agent or otherwise in connection with the Placing and that where any such responsibility or liability nevertheless arises as a matter of law such Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which such investor or any of its clients may have in respect thereof;
- 4.1.18 in the event that a supplementary prospectus is required to be produced pursuant to section 87G of FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to section 87(Q)(4) of FSMA, such Placee will immediately re-subscribe for the relevant Ordinary Shares and/or ZDP Shares previously comprising its Placing commitment;
- 4.1.19 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- 4.1.20 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares and/or ZDP Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and the Ordinary Shares and/or ZDP Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.1.21 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for the Ordinary Shares and/or ZDP Shares under the Placing and will not be any such person on the date any such agreement to subscribe under the Placing is accepted;
- 4.1.22 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Placing or the Ordinary Shares and/or ZDP Shares to any persons within the United States (subject to certain limited exceptions), nor will it do any of the foregoing;
- 4.1.23 it acknowledges that neither JPMC nor any of its Affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of JPMC and that JPMC does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Placing;
- 4.1.24 it acknowledges that where it is subscribing for Ordinary Shares and/or ZDP Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:
 - (a) to subscribe for such Shares for each such account;
 - (b) to make on each such account's behalf the representations, warranties and agreements set out in this document; and

- (c) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or JPMC,

and it agrees that the provisions of this paragraph shall survive any resale of the Ordinary Shares and/or ZDP Shares by or on behalf of any such account;

- 4.1.25 it irrevocably appoints any director of the Company and any director of JPMC to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares and/or ZDP Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;
- 4.1.26 it accepts that if the Placing does not proceed or the conditions to the Sponsor and Placing Agreement are not satisfied or the Ordinary Shares and/or ZDP Shares for which valid applications are received and accepted are not admitted to trading on the Main Market and to listing on the premium or standard listing category (as applicable) of the Official List for any reason whatsoever then none of JPMC, the Company, the Investment Manager nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.1.27 in connection with its participation in the Placing it has observed all relevant legislation and regulations;
- 4.1.28 it acknowledges that JPMC and the Company are entitled to exercise any of their respective rights under the Sponsor and Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.1.29 the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that JPMC and the Company and their respective Affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Ordinary Shares and/or ZDP Shares are no longer accurate, it shall promptly notify JPMC and the Company;
- 4.1.30 where it or any person acting on behalf of it is dealing with JPMC, any money held in an account with JPMC on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require JPMC to segregate such money, as that money will be held by JPMC under a banking relationship and not as trustee;
- 4.1.31 any of its clients, whether or not identified to JPMC, will remain its sole responsibility and will not become clients of JPMC for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.1.32 it accepts that the allocation of Ordinary Shares and/or ZDP Shares shall be determined by the Company in its absolute discretion (in consultation with JPMC and the Investment Manager) and that the Company may scale down any commitments for this purpose on such basis as it may (in consultation with JPMC) determine;
- 4.1.33 time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and ZDP Shares and to comply with its other obligations under the Placing;
- 4.1.34 its commitment to acquire Ordinary Shares and/or ZDP Shares will be agreed orally with JPMC as agent for the Company and that a Contract Note or Placing Confirmation will be issued by JPMC as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and JPMC to subscribe for the number of Ordinary Shares and/or ZDP Shares allocated to it at the Issue Price on the terms and conditions set out in this Part 11 and, as applicable, in the Contract Note or Placing

Confirmation. Except with the consent of JPMC, such oral commitment will not be capable of variation or revocation after the time at which it is made;

- 4.1.35 its allocation of Ordinary Shares and/or ZDP Shares under the Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming:
- (a) the number of Ordinary Shares and/or ZDP Shares that such Placee has agreed to subscribe for;
 - (b) the aggregate amount that such Placee will be required to pay for such Shares; and
 - (c) settlement instructions to pay JPMC as agent for the Company.

The terms of this Part 11 will be deemed to be incorporated into that Contract Note or Placing Confirmation; and

- 4.1.36 For the avoidance of doubt, nothing in these terms and conditions is intended to exclude the liability of any person for fraud or fraudulent misrepresentation made by that person.
- 4.1.37 The representations, warranties, undertakings, agreements and acknowledgements contained herein are irrevocable and it acknowledges that the Company, the Investment Manager, JPMC and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of, and compliance with, such representations, warranties, undertakings, agreements and acknowledgments. If any of the representations, warranties, undertakings, agreements or acknowledgments contained herein are no longer accurate or have not been complied with, it will immediately notify the Company;

The Company reserves the right to reject all or part of any offer to purchase Ordinary Shares and/or ZDP Shares for any reason. The Company also reserves the right to sell fewer than all of the Ordinary Shares and/or ZDP Shares offered by this document or to sell to any purchaser fewer than all of the Ordinary Shares and/or ZDP Shares a purchaser has offered to purchase.

5 Money Laundering

5.1 Each Placee acknowledges and agrees that:

- 5.1.1 its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person:
- (a) subject to the Money Laundering Regulations 2017 in force in the United Kingdom; or
 - (b) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "**Money Laundering Directive**"); or
 - (c) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive; and
- 5.1.2 due to anti-money laundering requirements, JPMC and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, JPMC and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify JPMC and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it.

6 Data Protection

- 6.1 Each Placee acknowledges that it has been informed that, pursuant to applicable data protection legislation (including the UK GDPR, the UK Data Protection Act 2018, as amended from time to time and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate (“**DP Legislation**”) the Company, the Investment Manager and/or the Registrar hold their personal data. Personal data will be retained on record for a period exceeding six years after which it is no longer used (subject always to any limitations on retention periods set out in the DP Legislation). The Registrar, the Receiving Agent and the Investment Manager will process such personal data at all times in compliance with DP Legislation and shall only process such information for the purposes set out in the Company’s privacy notice (the “**Purposes**”) which is available for consultation on the Company’s website at <https://www.aberforth.co.uk/privacy> (the “**Privacy Notice**”) (and if applicable any other third party delegate’s privacy notice).
- 6.2 Where necessary to fulfil the Purposes, the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar and/or Receiving Agent) will:
- 6.2.1 disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to operate and administer the Company; and
- 6.2.2 transfer personal data outside of the UK and the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors provided that suitable safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.
- 6.3 Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Privacy Notice.
- 6.4 In providing the Registrar with personal data, the Placee hereby represents and warrants to the Company and the Registrar that: (1) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Privacy Notice to such relevant data subjects; and (2) where consent is legally competent and/or required under DP Legislation, the Placee has obtained the consent of any data subject to the Company and the Registrar and their respective Affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).
- 6.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person he or she (as the case may be) represents and warrants that (as applicable) he or she has read and understood the terms of the Privacy Notice.
- 6.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants:
- 6.6.1 it has brought the Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company and the Registrar as a result of the Placee agreeing to subscribe for Ordinary Shares and/or ZDP Shares under the Placing; and
- 6.6.2 the Placee has complied in all other respects with all applicable DP Legislation in respect of the disclosure and provision of personal data to the Company.
- 6.7 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to the Placing:
- 6.7.1 comply with all applicable DP Legislation;

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

7 Supply and Disclosure of Information

If JPMC, the Company, the Investment Manager, the Registrar or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares and/or ZDP Shares under the Placing, such Placee must promptly disclose it to them.

8 Non-United Kingdom Investors

- 8.1 If the Placee is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares and/or ZDP Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and the Ordinary Shares and/or ZDP Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements.
- 8.2 None of the Ordinary Shares or ZDP Shares has been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa, Japan or New Zealand. Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa, Japan or New Zealand or to any national, resident or citizen of Canada, Australia, the Republic of South Africa, Japan or New Zealand unless an exemption from any registration requirement is available.

9 Miscellaneous

- 9.1 The rights and remedies of the Company, the Investment Manager, JPMC and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 9.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Ordinary Shares and/or ZDP Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares and/or ZDP Shares under the Placing and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the Investment Manager, JPMC and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

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

JPMC and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. JPMC and the Company expressly reserve the right to require any Placee to agree to such further (or modified) terms and/or conditions and/or give such additional (or modified) warranties and/or representations as they (in their absolute discretion) see fit and/or may require any such Placee to execute a separate placing letter and/or other documentation. The Placing is subject to the satisfaction of the conditions contained in the Sponsor and Placing Agreement and the Sponsor and Placing Agreement not having been terminated. Further details of the terms of the Sponsor and Placing Agreement are contained in paragraph 14.3 of Part 9 of this document.

PART 12

TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION

Introduction

These Terms and Conditions of Application apply to any application made under the Offer for Subscription. If you apply for Shares in the Offer for Subscription, you will be agreeing with the Company, J.P. Morgan Cazenove, the Investment Manager and the Receiving Agent (together, the “**Company and its agents**”) as follows:

Offer to acquire Shares

1. Applications must be made on the Application Form attached at the end of the Prospectus or otherwise published by the Company. All applications in the Offer for Subscription must be for Shares with a minimum aggregate subscription price of £1,000 and, if your application is for Shares with an aggregate subscription price of more than £1,000, it must be for a sum which is a multiple of £100;
2. By completing and delivering an Application Form, you, as the applicant, or, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
 - 2.1. offer to subscribe for the number of Ordinary Shares and/or ZDP Shares with an aggregate subscription price at the Issue Price that you have specified in your Application Form (or such lesser amount for which your application is accepted) on the terms, and subject to the conditions, set out in the Prospectus, these Terms and Conditions of Application, the guidance notes accompanying your Application Form and the Articles;
 - 2.2. agree that, in consideration of the Company agreeing that it will not, prior to the date of Admission, offer any Shares to any person other than by means of the procedures referred to in this document (including, for the avoidance of doubt and without limitation, in relation to the Scheme), your application may not be revoked after 11.00 a.m. on 21 June 2024 (or such later date as the Company and its agents may agree, not being later than 31 July 2024). You agree that this paragraph constitutes an irrevocable collateral contract between you, the Company, J.P. Morgan Cazenove, the Investment Manager and the Receiving Agent, which will become binding when your Application Form is received by the Receiving Agent;
 - 2.3. undertake to pay (by cheque or banker’s draft) the Issue Price for the Shares (payable in full on application) in respect of which your application is accepted and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the Shares applied for or to enjoy or receive any rights or distributions in respect of such Shares unless and until you make payment in cleared funds for such Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Company and its agents against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) terminate the agreement to allocate Shares to you, without liability to you, and may allocate them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund to you at your risk of any proceeds or remittance which accompanied your Application Form and which is received by the Receiving Agent in cleared funds, without interest);
 - 2.4. agree that any share certificate in respect of a Share to which you may become entitled and moneys returnable may be retained, without interest, by the Receiving Agent:
 - 2.4.1. pending clearance of your remittance;

- 2.4.2. pending investigation of any suspected breach of the warranties contained in paragraph 10 below or any other suspected breach of these Terms and Conditions of Application; or
 - 2.4.3. pending any verification of identity which is, or which the Company and its agents consider may be, required for the purposes of the Money Laundering Regulations 2017;
 - 2.5. agree that any error in the register of members of the Company arising as a result of your remittance not being honoured on first presentation or as a result of any other error in connection with your application for Shares, or as a result of termination of any agreement to allocate Shares pursuant to paragraphs 2.3 or 2.7 of these Terms and Conditions of Application, may be rectified and, in addition and without prejudice to the foregoing, you hereby irrevocably authorise the Company, or any person appointed by it for this purpose, to execute on your behalf any instrument of transfer which may be necessary to effect any re-allocation or sale of Shares to any other person arising as a result of the foregoing. The right to rectify the register of members of the Company, and/or the power to re-allocate or sell Shares contained in this paragraph, are in addition to any other rights, powers and remedies which would otherwise be available to the Company in the event of a breach by you of these Terms and Conditions of Application;
 - 2.6. agree, on the request of the Company or any of its agents, to disclose promptly in writing to any of them such information as the Company or its agents may request in connection with your application and you agree that information relating to applications will be retained by the Receiving Agent in connection with the Offer for Subscription and may be disclosed as contemplated by the Money Laundering Regulations 2017;
 - 2.7. agree that if evidence of identity satisfactory to the Company and its agents is not provided to the Company or its agents within a reasonable time (in the opinion of the Company) following a request therefor, any agreement with you to allocate Shares may be terminated and, in such case, the Shares which would otherwise have been allocated to you may be re-allocated and your application monies will be returned to the bank or other account on which the cheque or other remittance accompanying the application was drawn without interest;
 - 2.8. agree that you are not applying on behalf of a person who is, or who you have a suspicion may be, engaged in money laundering;
 - 2.9. undertake to ensure that, in the case of your Application Form being signed by someone other than you, the original of the relevant power of attorney or other authority (or a complete copy certified as true by a solicitor or a bank) is enclosed with your Application Form;
 - 2.10. undertake to pay interest at the rate prescribed in paragraph 6 if the remittance accompanying your Application Form is not honoured on first presentation;
 - 2.11. authorise the Receiving Agent on behalf of the Company to send definitive certificates or credit your CREST account in respect of the number of Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post to your address as set out in your Application Form;
 - 2.12. confirm that you have read and complied with paragraphs 21 and 22; and
 - 2.13. agree that your Application Form is addressed to the Company and its agents.
3. Any application may be rejected in whole or in part at the sole discretion of the Company.

Acceptance of your offer

4. You agree that acceptance of your application, if it is received valid (or treated as valid), processed (and not rejected) and provided that it is not rejected subsequently as a result of a failure by you to comply with these Terms and Conditions of Application, shall be constituted at

the election of the Company, after consultation with J.P. Morgan Cazenove, and the Investment Manager either:

- 4.1. by notifying the London Stock Exchange of the basis of allocation (in which case the acceptance will be on that basis); or
 - 4.2. by notifying acceptance to the Receiving Agent.
5. The Company and its agents reserve the right to treat as valid any application not complying fully with these Terms and Conditions of Application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. The Company and its agents reserve the right to waive in whole or in part any of the provisions of these Terms and Conditions of Application, either generally or in respect of one or more applications. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed in some other manner satisfactory to the Company and its agents to apply in accordance with these Terms and Conditions of Application.
6. The right is reserved to present all cheques for payment on receipt by the Receiving Agent and to retain documents of title and surplus application moneys pending clearance of successful applicants' cheques. The Company may require you to pay interest or its other resulting costs (or both) if the cheque accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Company to be the interest on the amount of the cheque from the date on which the basis of allocation under the Offer for subscription is publicly announced, until the date of receipt of cleared funds. The rate of interest will be the published bank base rate of a clearing bank selected by the Company plus two per cent. per annum.

Conditions

7. The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:
- 7.1. passing of the resolutions to approve the ASLIT Scheme at the general meetings of ASLIT Shareholders and the ASLIT Scheme becoming unconditional;
 - 7.2. the Minimum Share Subscription Amount being received pursuant to the Proposals;
 - 7.3. each of the conditions of the Scheme being satisfied;
 - 7.4. the Admission Condition being satisfied by 5.00 p.m. on 28 June 2024 and Admission occurring on 1 July 2024 (or such later date, not being later than 31 July 2024, as the Company, J.P. Morgan Cazenove and the Investment Manager may agree); and
 - 7.5. the Sponsor and Placing Agreement referred to in paragraph 14.3 of Part 9 of this document becoming unconditional and not having been terminated in accordance with its terms prior to Admission. The Company expressly reserves the right to determine, at any time prior to Admission, not to proceed with the Offer for Subscription.
8. You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights you may have.

Return of application monies

9. If any application is not accepted, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest in Sterling by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled within 14 days thereafter, save where such amount is less than £5.00. In the meantime, application monies will be retained by the Receiving Agent in a separate non interest bearing account.

Warranties

10. By completing an Application Form, you:

- 10.1. warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of Application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified as true by a solicitor or a bank;
- 10.2. warrant that you are resident in the United Kingdom, the Channel Islands or the Isle of Man and acknowledge that the Offer for Subscription is being made in the United Kingdom, the Channel Islands or the Isle of Man only and no action has been taken to permit a public offer in any other jurisdiction and warrant that, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company or its agents or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer for Subscription or your application;
- 10.3. confirm that in making an application you are not relying on any information or representations in relation to the Company and the Shares other than that contained in the Prospectus (as may be supplemented by a supplementary prospectus) on the basis of which alone your application is made, and accordingly you agree that no person responsible solely or jointly for the Prospectus or any part thereof shall have any liability for any such other information or representations;
- 10.4. acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in the Prospectus (as may be supplemented by a supplementary prospectus) and, if given or made, any information or representation must not be relied upon as having been authorised by the Company or any of its agents;
- 10.5. warrant that you are either a company or other body corporate duly incorporated and validly existing with authority to sign the Application Form and to apply for Shares or an individual who is not under the age of 18 on the date of your application;
- 10.6. agree that all documents and monies sent by post to you, by or on behalf of the Company or any of its agents will be sent at your risk and, in the case of documents and returned monies to be sent to you, may be sent to you at your address as set out in your Application Form;
- 10.7. confirm that you have reviewed the restrictions contained in the section entitled "Overseas investors" in paragraphs 21 and 22 and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions of such section;
- 10.8. warrant that you are not in the United States, or subscribing for the Shares for the account of any person in the United States, and that you are not a US Person or subscribing for a US Person and are not a Canadian person, or an individual, corporation or other entity resident in Japan, Australia, South Africa or New Zealand; and
- 10.9. warrant that the details relating to you as set out in your Application Form are correct.

Allocations

11. The basis of allocation will be determined at the sole discretion of the Board (in consultation with J.P. Morgan Cazenove and the Investment Manager). The right is reserved, notwithstanding such basis, to reject in whole or in part and/or scale down any application.

Miscellaneous

12. To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Shares and the Offer for Subscription.
13. The rights and remedies of the Company and its agents under these Terms and Conditions of Application are in addition to any rights and remedies which would otherwise be available to them, and the exercise or partial exercise of one will not prevent the exercise of others.
14. You agree that J.P. Morgan Cazenove and the Investment Manager are acting for the Company in connection with the Issue and for no-one else and J.P. Morgan Cazenove and the Investment Manager will not treat you as their client by virtue of such application being accepted or owe you any duties concerning the price of Shares or concerning the suitability of Shares for you or otherwise in relation to the Issue.
15. You authorise the Company or any person authorised by the Company, as your agent, to do all things necessary to effect registration of any Shares subscribed for by you in your name and authorise any representatives of the Receiving Agent to execute and/or complete any document required therefor.
16. You agree that it is a condition of application that any information supplied by an applicant or on his behalf or derived from the processing thereof may be used by the Receiving Agent or the Company and/or disclosed to the Company, its agents or advisers in connection with and for the purposes of the Issue and, for the purposes of the applicable data protection legislation (including the UK GDPR, the UK Data Protection Act 2018, as amended from time to time, and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate.
17. You agree that a failure to receive, process or accept your application for Shares does not give rise to any right of action by any person against the Company, J.P. Morgan Cazenove, the Investment Manager, the Receiving Agent or any other person. You agree that the non-receipt by any person of the Prospectus or any other related document shall not invalidate the Issue in whole or in part or give rise to any right of action by any person against the Company, J.P. Morgan Cazenove, the Investment Manager, the Receiving Agent or any other person.
18. You agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with English law and that, for the benefit of the Company, J.P. Morgan Cazenove, the Investment Manager, and the Receiving Agent, you submit to the non-exclusive jurisdiction of the English courts and agree that nothing shall limit the right of the Company, J.P. Morgan Cazenove, the Investment Manager, the Receiving Agent or their agents or advisers to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances and contracts in any other manner permitted by law or in any court of competent jurisdiction.
19. Completed Application Forms, together with payment, must be returned so as to be received by post or by hand (during normal business hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 11.00 a.m. on 21 June 2024. An Application Form which is sent by post or delivered by hand (as described above) will be treated as having been received only when it is received by the Receiving Agent.

Money laundering and AEOI (Tax Domicile Disclosure)

20. You agree that, in order to ensure compliance with all the relevant AEOI tax domicile disclosure requirements and the Money Laundering Regulations 2017, the Receiving Agent may at its absolute discretion require, and you will provide, evidence which is satisfactory to it to establish your identity or that of any person on whose behalf you are acting and/or your status or which it may otherwise, at its absolute discretion, require with regard to its obligations under the Money

Laundering Regulations 2017. Without prejudice to the generality of the foregoing such evidence may be required if you either:

- 20.1. tender payment by way of banker's draft or cheque or money order (in which case verification of your identity may be required); or
- 20.2. appear to the Receiving Agent to be acting on behalf of some other person (in which case verification of the identify of any persons on whose behalf you appear to be acting may be required).

Failure to provide the necessary evidence of identity may result in application(s) being rejected or delays in the despatch of documents.

Without prejudice to the generality of this paragraph 20, verification of the identity of applicants may be required if the total price of the Shares applied for, whether in one or more applications, exceeds £13,000 (approximately equivalent to €15,000). If in such circumstances, you use a building society cheque, banker's draft or money order, you should ensure that the bank or building society enters the name, address and account number of the person whose account is being debited on the reverse of the cheque, banker's draft or money order and adds its stamp. If in such circumstances, you use a cheque drawn by a third party, you may be requested to provide a copy of your passport or driving licence certified as a true copy by a solicitor or a bank or a recent (i.e. at least within the last three months) original bank or building society statement or utility bill in your name and showing your current address (which originals will be returned by post at the applicant's risk).

The Receiving Agent may also undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details given on your Application Form against your identity, but may also request further proof of your identity if required by the Receiving Agent. The Receiving Agent reserves the right to withhold any entitlement (including any refund payment) until such verification of identity is completed to its satisfaction.

Overseas investors

21. The Offer for Subscription is being made in the UK, the Channel Islands and the Isle of Man only. If you receive a copy of the Prospectus or an Application Form in any territory other than the United Kingdom the Channel Islands or the Isle of Man you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the United Kingdom, the Channel Islands or the Isle of Man and wishing to make an application for Shares under the Offer for Subscription, to satisfy yourself that you have fully observed the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom, the Channel Islands or the Isle of Man.
22. Without limiting the above, the Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Japan, Australia, South Africa or New Zealand except in reliance on, or in a transaction not subject to, the registration requirements under relevant legislation. The Shares are not being offered or sold in the United States or to US Persons. If you subscribe for Shares in the Offer for Subscription you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company and its agents that you are not in the United States. No application will be accepted if it bears an address in the United States or otherwise where there is cause to believe you are in the United States or are a US Person.

Definitions used in these Terms and Conditions of Application

23. In these Terms and Conditions of Application and the Application Form the following terms have the meanings set out below:

“**Application Form**” means the application form for use in connection with the Offer for Subscription attached at the end of the Prospectus or any application form for use in connection with the Offer for Subscription otherwise published by or on behalf of the Company; and

“**Prospectus**” means the document comprising a prospectus of the Company dated 28 May 2024.

24. Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as used in the Prospectus.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned so as to be received by 11.00 a.m. on 21 June 2024.

All Applicants should read Notes 1-10. Note 6 should be read by joint applicants.

1. Application

Fill in (in figures) the aggregate subscription price for which your application for Ordinary Shares and/or ZDP Shares is made. Your application must be for a minimum aggregate subscription price of £1,000 or, if for more than £1,000, in multiples of £100.

2. Amount payable

Fill in (in figures) the total amount payable for the Shares for which your application is made.

3. Personal details

Fill in (in block capitals) your full name, address and date of birth. If this application is being made jointly with other persons, please read Note 6 before completing Box 3.

If you are making this application on behalf of another person or a corporation, that person's or corporation's details should be filled in (in block capitals) in Box 3.

4. Signature

The applicant named in Box 3 must date and sign Box 4.

The Application Form may be signed by another person on your behalf if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified as true by a solicitor or a bank) must be enclosed for inspection. A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated.

5. Settlement

Cheque Payment:

Attach a cheque or banker's draft for the exact amount shown in Box 2 to your completed Application Form. Your cheque or banker's draft must be made payable to "Link Market Services Limited RE: Aberforth Geared Value & Income Trust Plc – Offer for Subscription cheque a/c" and crossed "a/c payee".

Your payment must relate solely to this application. No receipt will be issued. Your cheque or banker's draft must be drawn in sterling on an account where you have sole or joint title to the funds held at a bank branch in the United Kingdom, the Channel Islands or the Isle of Man and must bear a United Kingdom bank sort code number.

Applications with a value of £13,000 (approximately equivalent to €15,000) or greater, which are to be settled by way of a third-party payment (e.g. banker's draft or building society cheque) may be subject to the United Kingdom's verification of identity requirements which are contained in the Money Laundering Regulations 2017.

This may involve verification of names and addresses (only) through a reputable agency.

If satisfactory evidence of identity has not been obtained within a reasonable time, and in any event (unless the Offer for Subscription is extended) by 11.00 a.m. on 21 June 2024, your application may not be accepted.

Certificates, cheques and all other correspondence will be sent to the address in Box 3.

Electronic Bank Transfers:

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made in GBP for value by no later than 11.00 a.m. on 21 June 2024 directly into the bank account detailed below.

Bank: Lloyds Bank plc
Sort Code: 30-80-12
Account No: 26439960
Account Name: Link Market Services Limited RE: Aberforth Geared Value & Income Trust Plc – OFS CHAPS A/C
IBAN: GB64LOY030801226439960
SWIFT: LOY0GB21F09

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in section 3 of the Application Form and payments in GBP must relate solely to your Application. You should tick the relevant payment method box in section 5. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically, this will be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. If further documentation to confirm the source of funds is required, the Receiving Agent will request the information required.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company.

Please Note – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

CREST settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from the date of Admission (the “**Admission Date**”). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

If you so choose to settle your application within CREST on a DvP basis, you or your settlement agent/custodians CREST account must submit an Application Form to the Receiving Agent by the closing deadline of 11.00 a.m. on 21 June 2024, reflecting full CREST name and address as the holder and be signed by the named CREST account holder and allow for the delivery and acceptance of the shares to be made against payment of the Issue Price using the CREST matching criteria set out below.

By returning the Application Form to the Receiving Agent, you agree that you will do all things necessary to ensure that your, or your settlement agent/custodian's, CREST Account allows for the delivery and acceptance of the shares to be made on 21 June 2024 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at market rates.

Trade Date: 28 June 2024
Settlement Date: 1 July 2024
Company: Aberforth Geared Value & Income Trust Plc
Ordinary Security Description: Ordinary shares of £0.01 pence each
Ordinary Shares ISIN: GB00BPJMQ253
ZDP Security Description: ZDP Shares of £0.01 pence each
ZDP Shares ISIN: GB00BPJMQ360
Currency: GBP

Should you wish to settle by DvP, you will need to input your DvP CREST instructions in favour of the Receiving Agent's Participant account RA06 by no later than 11.00 a.m on 21 June 2024.

You must also ensure that you have or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Note: Link Group will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant and no acknowledgement of receipt or input will be provided.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form (provided that payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied).

6. Joint applicants

If you make a joint application, you will not be able to transfer your Shares into an ISA. If you are interested in transferring your Shares into an ISA, the application should be made by you (or on your behalf) in your name only.

If you do wish to apply jointly, you may do so with up to three other persons. Boxes 3 and 4 must be completed by one applicant. All other persons who wish to join in the application must complete and sign Box 6.

Another person may sign on behalf of any joint applicant if that other person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified as true by a solicitor or a bank) must be enclosed for inspection.

Certificates, cheques and all other correspondence will be sent to the address in Box 3.

7. Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person who may be contacted by the Receiving Agent with any enquiries concerning your application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder.

8. Instructions for delivery of completed Application Forms

Completed Application Forms should be returned, by post or by hand (during normal business hours only), to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by no later than 11.00 a.m. on 21 June 2024, together in the case of applications made with payment by cheque with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow sufficient time for it to be delivered. Application Forms received after this date may be returned.

9. Anti-Money Laundering

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are undertaken to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that the Receiving Agent is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

Whilst the Receiving Agent may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

The Receiving Agent may make enquiries to credit reference agencies to meet its anti-money laundering obligations and the applicant may be required to provide an original or certified copy of their passport, driving licence and recent bank statements to support such enquiries. The Receiving Agent will confirm if any supporting documentation is required.

Anti-money laundering checks do not mean the investor is suspected of anything illegal and there is nothing to worry about. The checks made at credit reference agencies leave an 'enquiry footprint' – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit. Anti-money laundering checks appear as an enquiry/soft search on the applicant's credit report. The report may contain a note saying "Identity Check to comply with Anti Money Laundering Regulations".

The Receiving Agent reserves the right to request any further additional information it deems necessary to confirm the identity, address, source of funds and wealth of all parties, and further it reserves the right to decline an application for any individual or business where it considers that the information available is unsuitable or unreliable.

If at any time the Company has reasonable grounds for suspecting that the funds contributed to the Company may represent the proceeds of crime, it reserves the right to refuse to issue Ordinary Shares and ZDP Shares or pay income or dividends on Ordinary Shares to the applicant or investor until sufficient information has been supplied to satisfy the Receiving Agent's anti-money laundering requirements.

To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate of a politically exposed person, the Receiving Agent may request additional information. These requirements apply both at the time of investment and on an ongoing basis.

10. Helpline

If you have a query concerning completion of this Application Form, please call the Receiving Agent on 0371 664 0321. 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 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer for Subscription nor give any financial, legal or tax advice.

APPENDIX 1

APPLICATION FORM FOR THE OFFER FOR SUBSCRIPTION

Please send this completed form by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 11.00 a.m. (London time) on 21 June 2024.

Important: Before completing this form, you should read the prospectus dated 28 May 2024 (the Prospectus) and the Terms and Conditions of Application set out in Part 12 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and the accompanying notes on how to complete this form.

To: Link Group on behalf of Aberforth Geared Value & Income Trust Plc

1. APPLICATION

I/We the person(s) detailed in Box 3 and Box 6 (if applicable) below offer to subscribe the amount shown in Box 1 (subject to a minimum investment amount of £1,000 and thereafter in multiples of £100) for Ordinary Shares and/or ZDP Shares subject to the Terms and Conditions of the Offer for Subscription set out in Part 12 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and subject to the articles of association of the Company in force from time to time.

£	of Ordinary Shares at the Issue Price
£	of ZDP Shares at the Issue Price
£	Total (minimum £1,000 and multiples of £100 thereafter)

2. AMOUNT PAYABLE

£

Total amount payable in respect of this application (minimum £1,000 and multiples of £100 thereafter).

3. PERSONAL DETAILS IN WHOSE NAME(S) ORDINARY SHARES AND/OR ZDP SHARES WILL BE ISSUED

(BLOCK CAPITALS)

1st named Shareholder:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Date of birth (for individual investors only):		
Address (in full):		
Postcode:		
Designation (if any):		



4. SIGNATURES

I/We hereby confirm that I/we have read the prospectus and make this application on and subject to the Terms and Conditions of Application set out in the Prospectus. I/We further represent that I am not/we are not in the United States, and I am not/we are not a US Person.

Signature:	Date:
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Execution by a Company

Executed by (Name of Company):		Date:
Name of Director:	Signature:	Date:
Name of Director:	Signature:	Date:
If you are affixing a company seal, please mark a cross:		Affix Company Seal here:

5. SETTLEMENT

Please tick the relevant box confirming your method of payment.

5.1 Cheque/banker's Draft

If you are subscribing for Ordinary Shares and/or ZDP Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 2 (being the total value of the application) made payable to Link Market Services Ltd Re: Aberforth Geared Value & Income Trust Plc – OFS CHQ a/c. Cheques and bankers' drafts must be in Sterling and drawn on an account at a branch of a clearing bank in the United Kingdom or the Channel Islands and must bear a United Kingdom bank sort code number in the top right hand corner.

5.2 Electronic Bank Transfer

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. 21 June 2024 directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example, MJ SMITH 01234 567 8910.

Bank: Lloyds Bank plc
Sort Code: 30-80-12
Account No: 26439960
Account name: Link Market Services Limited Re: Aberforth Geared Value & Income Trust Plc – OFS CHAPs a/c
IBAN: GB64LOY030801226439960
SWIFT: LOY0GB21F09

Electronic payments must be made from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in box 3 of the Application Form and payments must relate solely to your Application. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically, this would be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. If

further documentation to confirm the source of funds is required, the Receiving Agent will request the relevant information.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company.

You should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an Application Form.

5.3 CREST Settlement

If you so choose to settle your commitment within CREST, that is DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Initial Issue Price per Ordinary Share, following the CREST matching criteria set out below:

Trade Date:	28 June 2024
Settlement Date:	1 July 2024
Company:	Aberforth Geared Value & Income Trust Plc
Ordinary Shares Security Description:	Ordinary Shares of £0.01 pence each
SEDOL:	BPJMQ25
ISIN:	GB00BPJMQ253
ZDP Shares Security Description:	ZDP Shares of £0.01 pence each
SEDOL:	BPJMQ36
ISIN:	GB00BPJMQ360
CREST message type:	DEL
Currency:	GBP

You will need to input your CREST DEL instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 11.00 a.m on 21 June 2024. You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form in the CREST holder's name (which must be signed by the named CREST holder and not any underlying beneficial holder) to be received by the Receiving Agent by no later than 11.00 a.m. on 21 June 2024. The Receiving Agent will not take any action until a valid DEL message has been alleged to the Participant Account RA06 by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late/non settlement, the Company reserves the right to deliver Ordinary Shares and ZDP Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.



6. JOINT APPLICANTS – BOX 6 MUST ONLY BE COMPLETED BY JOINT APPLICANTS (SEE NOTE 6)

2nd named Shareholder:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Date of birth (for individual investors only):		
Second Applicant Signature:		Date:

3rd named Shareholder:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Date of birth (for individual investors only):		
Third Applicant Signature:		Date:

4th named Shareholder:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Date of birth (for individual investors only):		
Fourth Applicant Signature:		Date:

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Section 4 on behalf of the first named holder. Any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:
E-mail address:
Contact address:
Postcode:
Telephone No:

APPENDIX 2

TAX RESIDENCY SELF-CERTIFICATION FORM (INDIVIDUALS)

<i>A separate form is required for each person.</i>	
Company that shares are held in: *	
Investor code: *	
Name: *	
Registered Address: * <i>If your address has changed, then you will need to notify us separately. See the questions and answers.</i>	
Tax Residence Address: <i>If different to your registered address.</i>	
Date of Birth: * <i>(DD/MM/YYYY)</i>	
Country/Countries of Residence for Tax Purposes:	
Country of residence for tax purposes:	Tax Identification Number: <i>In the UK this would be your NI number</i>
1 *	1 *
2	2
3	3
4	4
US Citizen Please mark the box ONLY if you are a US Citizen (see Definitions) <input style="float: right;" type="checkbox"/>	
<p>Declarations and Signature</p> <p>I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information.</p> <p>I undertake to advise the Company within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide the Company with a suitably updated Declaration within 30 days of such change in circumstances.</p> <p>I certify that I am the shareholder (or I am authorised to sign for the shareholder**). If this relates to a joint holding, I also acknowledge that as a joint holder I may be reported to the relevant tax authority if all the other holders do not provide a Tax Residency Self-Certification.</p> <p>I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.</p>	
Signature: *	
Print Name:*	
Date: *	
Daytime telephone number/email address:***	

* Mandatory field.

** If signing under a power of attorney, please also attach a certified copy of the power of attorney.

*** We will only contact you if there is a question around the completion of the self- certification form.



INTRODUCTION

The law requires that Financial Institutions collect, retain and report certain information about their account holders, including the account holders tax residency.

Please complete the form above and provide any additional information requested.

If your declared country/countries of residence for tax purposes is not the same as that of the Financial Institution and is either the US or is on the OECD list of countries which have agreed to exchange information (<http://www.oecd.org/tax/transparency/AEOI-commitments.pdf>), the Financial Institution will be obliged to share this information with its local tax authority who may then share it with other relevant local tax authorities.

Failure to validly complete and return this form will result in you being reported onwards to the relevant local tax authority. Additionally, if this form has been issued in conjunction with an application for a new holding, then your application may be adversely impacted.

Definitions of terms used in this form can be found below.

If your registered address (or name) has changed, then you must advise us separately. Any details you enter in the "Tax Residence Address" will be used for tax purposes only and will not be used to update your registered details.

If any of the information about your tax residency changes, you are required to provide the Company with a new, updated, self-certification form within 30 days of such change in circumstances.

Joint Holders (if relevant)

All joint holders are treated as separate holders for these tax purposes and every joint holder is required to give an Individual Tax Residency Self-Certification. If any one or more is reportable, the value of the whole shareholding will be reported for all joint shareholder(s).

If we do not receive the self-certification from each joint shareholder, then the whole holding will be treated as undocumented and all holders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

If you have any remaining questions about how to complete this form or about how to determine your tax residency status you should contact your tax adviser.

Definitions

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("The Common Reporting Standard") <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/> contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing this form.

"Account Holder"

The Account Holder is either the person(s) whose name(s) appears on the share register of a Financial Institution or, where Link holds the shares on your behalf, the person whose name appears on the register of entitlement that Link maintains.

"Country/Countries of residence for tax purposes"

You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a **tax identification number (TIN)**. Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged to submit a tax return are likely to be your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

“Tax Identification Number or TIN”

The number used to identify the shareholder in the country of residence for tax purposes. Different countries (or jurisdictions) have different terminology for this and could include such as a National Insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a shareholder resident in such jurisdictions. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents.

“US Citizen”

- All US citizens. An individual is a citizen if that person was born in the United States or if the individual has been naturalized as a US citizen.
- You can also be a US citizen, even if born outside the United States if one or both of your parents are US citizens.

If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser.

NOTHING IN THIS DOCUMENT CAN BE CONSIDERED TO BE TAX ADVICE.

QUESTIONS & ANSWERS

Why are you writing to me and asking for a “Tax Residency Self Certification”?

The governments of more than 90 countries around the world have agreed to exchange tax related information. These governments have passed similar sets of laws to enable the Automatic Exchange of Information (“AEOI”). The full list of countries involved can be seen at www.oecd.org/tax/transparency/AEOI-commitments.pdf

Additionally, the United States has over 100 similar agreements with many countries referred to as the ‘Foreign Account Tax Compliance Act’.

The legislation can vary slightly from jurisdiction to jurisdiction, but at a high level, it requires Financial Institutions to:

- Identify existing Holders that may be resident (for tax purposes) in other participating jurisdictions. Then contact any such Holders and request that they complete a “Tax Residency Self Certification” form.
- Obtain a “Tax Residency Self Certification” form for all new Holders.
- Identify holders who move from one jurisdiction to another and request that they complete a “Tax Residency Self Certification” form.
- Identify Holders who have payments sent to a different jurisdiction.
- Submit a return to the Financial Institution’s “local” tax authority on an annual basis. As an example, for a company incorporated in the UK, then the local tax authority would be HM Revenue & Customs (HMRC).
- Follow up on any non-responders at least annually for at least 3 years.

The “local” tax authority will pass information onto the tax authority in the relevant jurisdiction. As an example the tax authority in the US is the Inland Revenue Service (“IRS”), so HMRC will exchange information with IRS.

Where can I find out more information about the legislation?

The legislation is quite complex, and you may wish to speak to your tax adviser.

The web site of your local tax authority will contain more information e.g. HMRC for the UK; the IRS for the US; Jersey Income Tax Department for Jersey, etc.

Additionally, the web site of The Organisation for Economic Co-operation and Development (OECD) gives further information.

What happens if I do not complete the form?

In the annual report that the Financial Institution sends to their local tax authority you will be shown as ‘Undocumented’.

The local tax authority will collate the responses from all of its financial institutions and pass that information onto the relevant local tax authority for the jurisdictions identified.

Link is not able to comment on what action the tax authority for the jurisdiction will take.

What if I am a Tax Resident in 2 or more countries?

The self-certification form allows for up to 4 tax residencies to be recorded.

I do not pay tax or I do not know which country I am tax resident in

Please refer to your local tax authority or tax adviser.

I do not have a tax identification number

Please refer to your local tax authority or tax adviser.

Note that different countries call their tax identification numbers using alternative terminology. As an example in the UK it would be a National Insurance number.

I have already completed a W8 or W9 form. Do I still need to complete a “Tax Residency Self Certification”?

Yes. The US legislation governing W8/W9 forms overlaps with US FATCA legislation.

What is classed as my Tax Residence Address?

Please refer to your local tax authority or tax adviser.

In addition, you may wish to consider: Where you are a citizen with a passport; Your residential home address in a country and unrestricted right of entry back into that country once you depart.

Joint Holders

When there are multiple holders on an account, then every joint holder must complete a Tax Residency Self-Certification and every joint holder will receive a letter in their own right. The letter will be sent to the registered address recorded for the holding.

Joint holders are treated as separate holders for these tax purposes. If any one of the joint holders is reportable, the value of the whole shareholding will be reported for all of the joint shareholder(s).

If we do not receive a validly completed self-certification for each joint shareholder, the whole shareholding will be treated as “undocumented” and all shareholders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

Can I use the Self Certification Form to change the registered address?

No. If your address has changed, then you must advise Link Group separately.

A change of address for can be downloaded from: www.linkgroup.eu. Any details you enter in the “Tax Residence Address” will be used for tax purposes only and will not be used to update your registered details.

Can I use the Self Certification Form to advise of a Change of Name?

No. You must advise Link Group separately. For more information, see www.linkgroup.eu

Can I use the Self Certification Form to advise of a Change of Name?

No. You must advise Link Group separately. For more information, see www.linkgroup.eu

Can I use the Self Certification Form to advise of the death of a holder, or registration of a power of Attorney?

No. You must advise Link Group separately. For more information, see www.linkgroup.eu

How do I contact Link Group to advise of a change of address or any other changes to my account?

Share Holder Portal: www.linkgroup.eu

Telephone: 0371 664 0300
+44 (0) 371 664 0300 (international)

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. We are open 9.00am – 5.30pm, Monday to Friday excluding public holidays in England and Wales.

Address: Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL.

I would like future dividends paid into a different bank account

Contact Link Group. For more information, see www.linkgroup.eu

I have given a different address for tax purposes, will the registered address of my share holding be altered?

No. The details on the Self Certification form are for tax purposes only. If you want to alter any of the registered details relating to your investment then you need to inform Link Group. For more information, see www.linkgroup.eu.

I have recently sold all of the shares, do I still need to complete a Self-Certification form?

Yes. Your account will be reportable in the current year, but will cease to be reportable in subsequent years.