

**THIS PROSPECTUS AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this Prospectus, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom, without delay.**

This document comprises a prospectus (the “**Prospectus**”) relating to STS Global Income & Growth Trust plc (the “**Company**”), in connection with the issue of Shares in the Company (the “**New Shares**”) pursuant to a scheme of reconstruction and members’ voluntary liquidation of Troy Income & Growth Trust plc (“**TIGT**”) under section 110 of the Insolvency Act 1986 (the “**Scheme**”), prepared in accordance with the UK version of the EU Prospectus Regulation ((EU) 2017/1129) which is part of UK law by virtue of the European Union Withdrawal Act 2018, as amended and supplemented from time to time, including, but not limited to, by the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019 (the “**UK Prospectus Regulation**”) and the prospectus regulation rules of the Financial Conduct Authority (the “**FCA**”) made pursuant to section 73A of FSMA (the “**Prospectus Regulation Rules**”).

This Prospectus has been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the Shares that are the subject of this Prospectus. This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation. TIGT Shareholders should make their own assessment as to the suitability of investing in the Shares. This Prospectus will be made available to the public in accordance with the Prospectus Regulation Rules by being made available at the Company’s website ([www.stsplc.co.uk](http://www.stsplc.co.uk)).

Applications will be made to the FCA for the New Shares to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. If the Proposals become effective, it is expected that Admission will become effective, and dealings in the New Shares will commence, on 28 March 2024.

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## **STS GLOBAL INCOME & GROWTH TRUST PLC**

*(incorporated in Scotland with registered number SC283272)  
(an investment company under section 833 of the Companies Act 2006)*

### **Prospectus relating to the Issue of New Shares pursuant to a scheme of reconstruction and members’ voluntary liquidation of Troy Income & Growth Trust plc under section 110 of the Insolvency Act 1986**

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The Directors and Prospective Directors of the Company, whose names appear on page 34 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors, the Prospective 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.

Juniper Partners Limited (the “**AIFM**” or “**Juniper Partners**”) and Troy Asset Management Limited (the “**Investment Manager**” or “**Troy**”) accept responsibility for the information and opinions contained in this Prospectus relating to them and all statements made by them. To the best of the knowledge of the AIFM and the Investment Manager, as applicable, the information contained in this Prospectus related to or attributed to the AIFM and/or the Investment Manager, as applicable, and their affiliates is in accordance with the facts and such parts of this Prospectus make no omission likely to affect their import. In particular, the AIFM accepts responsibility for the information contained in (a) paragraph 9 of Part 1 (*The Company*) of this Prospectus; (b) paragraph 3 of Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; (c) paragraph 2.1 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus; and (d) any other information or opinion related to or attributed to the AIFM or to any of its affiliates contained within this Prospectus. The Investment Manager accepts responsibility for the information and opinions contained in (a) paragraphs 1, 2 and 5 of Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; and (b) any other information or opinion related to or attributed to the Investment Manager contained within this Prospectus.

J.P. Morgan Securities plc (which conducts its UK investment banking activities as J.P. Morgan Cazenove) (“**J.P. Morgan Cazenove**” or the “**Sponsor**”) which is authorised in the United Kingdom by the PRA and regulated by the FCA and the PRA, is acting exclusively for the Company and for no one else in connection with the Issue, the Scheme and the other arrangements referred to in this Prospectus. The Sponsor will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to the Issue, the Scheme and the other arrangements referred to in this Prospectus and will not be responsible to anyone (whether or not a recipient of this Prospectus) other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the Issue, the Scheme, the contents of this Prospectus or any transaction or arrangement referred to in this Prospectus. This does not exclude any responsibilities that the Sponsor may have under FSMA or the regulatory regime established thereunder.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor 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, the Sponsor and its affiliates, officers, directors, employees and agents make no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company, the Issue, the Scheme, the Shares or any transaction or arrangement referred to in this Prospectus. The Sponsor and its affiliates, officers, directors, employees and agents, accordingly, to the fullest extent permitted by law, disclaim all and any responsibility or liability, whether arising in tort or contract or otherwise (save as referred to above) which it or they might otherwise have in respect of this Prospectus or any such statement.

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

The contents of this Prospectus are not to be construed as legal, financial, business, investment or tax advice. TIGT Shareholders should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, repurchase or other disposal of New Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of New 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, New 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 AIFM, the Investment Manager or the Sponsor nor any of their respective representatives is making any representation regarding the legality of an investment in the New Shares. TIGT Shareholders should also consider the risk factors relating to the Company set out on pages 12 to 23 of this Prospectus.

**THE NEW SHARES ARE ONLY AVAILABLE TO TIGT SHAREHOLDERS AND ARE NOT BEING OFFERED TO EXISTING SHAREHOLDERS (SAVE TO THE EXTENT AN EXISTING SHAREHOLDER IS ALSO A TIGT SHAREHOLDER) OR TO THE PUBLIC.**

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 AIFM, the Investment Manager or the Sponsor.

The distribution of this Prospectus and the offer of the New 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 New Shares or possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the New Shares) in any jurisdiction where action for that purpose is 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 New 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.

In particular, the New 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 New 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, 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 New Shares.

The New 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 “qualified institutional buyers”, or “QIBs”, as defined in Rule 144A under the US Securities Act of 1933, as amended (the “**US Securities Act**”) and “qualified purchasers” as defined in the US Investment Company Act of 1940, as amended (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 and returned such letter to the Company.

In addition, the Company has not been and will not be registered under the US Investment Company Act and investors in the New Shares will not be entitled to the benefits of the US Investment Company Act. The New 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 “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 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 New Shares in the United States.

This Prospectus does not address the US federal income tax considerations applicable to an investment in the New 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 New Shares or passed upon or endorsed the merits of the offering of the New Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The New 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. For further information on restrictions on offers, sales and transfers of the New Shares, please refer to the section titled “Overseas TIGT Shareholders” at paragraph 9 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

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.

**Without limitation, neither the contents of the Company’s website, the AIFM’s website, the Investment Manager’s website, the Sponsor’s website or any other website nor the content of any website accessible from hyperlinks on the Company’s website, the AIFM’s website, the Investment Manager’s website, Sponsor’s website or any other website is incorporated into, or forms part of this Prospectus, or has been approved by the FCA.**

**Prospective investors should read this entire Prospectus and, in particular, the section titled “Risk Factors” beginning on page 12 when considering an investment in the Company.**

23 February 2024

## CONTENTS

	Page
<b>SUMMARY</b> .....	5
<b>RISK FACTORS</b> .....	12
<b>IMPORTANT INFORMATION</b> .....	24
<b>EXPECTED TIMETABLE</b> .....	32
<b>ISSUE STATISTICS</b> .....	33
<b>DIRECTORS, AIFM, INVESTMENT MANAGER AND OTHER ADVISERS</b> .....	34
<b>PART 1 THE COMPANY</b> .....	36
<b>PART 2 MARKET OUTLOOK, INVESTMENT STRATEGY AND INVESTMENT PORTFOLIO</b> ..	45
<b>PART 3 DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY</b> .....	50
<b>PART 4 DETAILS OF THE SCHEME AND THE ISSUE</b> .....	60
<b>PART 5 FINANCIAL INFORMATION</b> .....	67
<b>PART 6 UK TAXATION</b> .....	71
<b>PART 7 GENERAL INFORMATION</b> .....	76
<b>PART 8 DEFINITIONS</b> .....	101

# SUMMARY

## INTRODUCTION AND WARNINGS

### 1. INTRODUCTION

This Prospectus relates to the issue of redeemable ordinary shares of one penny each (the “**New Shares**”) in the capital of STS Global Income & Growth Trust plc (the “**Company**”) in connection with a scheme of reconstruction and voluntary winding up of Troy Income & Growth Trust plc (“**TIGT**”) under the Insolvency Act (the “**Scheme**”). The ISIN of the New Shares is GB00B09G3N23 and the SEDOL is 0294502. The LEI of the Company is 549300UZ1Y7PPQYJGE19 and its registered office is at 28 Walker Street, Edinburgh EH3 7HR.

This Prospectus was approved by the Financial Conduct Authority (the “**FCA**”) in the United Kingdom on 23 February 2024. The head office of the FCA is at 12 Endeavour Square, London E20 1JN (Tel: +44 (0)20 7066 1000).

#### Warning

The following summary should be read as an introduction to this Prospectus. Any decision to invest in the New 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 New Shares.

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

### 2. KEY INFORMATION ON THE ISSUER

#### 2.1. Who is the issuer of the securities?

The Company was incorporated and registered in Scotland on 15 April 2005 as a public company limited by shares with registered number SC283272. The Company is an investment company under section 833 of the Companies Act. The Company’s LEI number is 549300UZ1Y7PPQYJGE19. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.

The Company is a closed-ended investment company and operates as an investment trust approved by HMRC in accordance with the Corporation Tax Act. The Company’s investment objective is to achieve rising income and long-term capital growth which it seeks to deliver for shareholders through investment in a balanced portfolio constructed from global equities. The Company’s investment policy and investment objective will not be amended in connection with the Proposals.

The Company has appointed Juniper Partners Limited (the “**AIFM**” or “**Juniper Partners**”) as the Company’s alternative investment fund manager to provide overall portfolio and risk management services to the Company. The AIFM has delegated portfolio management services to Troy Asset Management Limited (the “**Investment Manager**” or “**Troy**”).

The Directors of the Company are as follows: John Evans (Chairman); Angus Cockburn; Gillian Elcock; Sarah Harvey; Alexandra Innes; and Mark Little.

It is intended that, following completion of the Scheme, Bridget Guerin and Brigid Sutcliffe (both of whom are currently TIGT Directors) (the “**Prospective Directors**”) will be appointed as non-executive Directors of the Company. It is expected that two current Directors, Angus Cockburn and Mark Little, will retire from the Board at the 2024 AGM, which is expected to be held in June 2024, and will not stand for re-election.

All of the Directors are, and the Prospective Directors will be, non-executive and are independent of the AIFM and the Investment Manager.

As at close of business on 20 February 2024, being the latest practicable date prior to the publication of this Prospectus, other than as set out below, there are no persons known to the Company who, directly or indirectly, are interested in three per cent. or more of the Company's issued Share capital or voting rights.

Shareholder	Number of Shares	Percentage of issued Share capital (%)
Rathbones Investment Management	12,756,982	14.3
D. C. Thomson & Company Limited	2,900,000	3.3

As at close of business on 20 February 2024, being the latest practicable date prior to the publication of this Prospectus, the Company, the Directors and the Prospective Directors are not aware of any person who could, directly or indirectly, jointly or severally, own or exercise control over the Company, or of any arrangement the operation of which may result in a change of control of the Company. There are no different voting rights for any Shareholder.

The Company's statutory auditors are Ernst & Young LLP of 25 Churchill Place, Canary Wharf, London E14 5EY.

## 2.2. What is the key financial information regarding the issuer?

### Selected historical financial information

Selected audited financial information relating to the Company which summarises the financial condition of the Company for the financial years ended 31 March 2022 and 31 March 2023 and selected unaudited financial information relating to the Company which summarises the financial condition of the Company for the six month periods ended 30 September 2022 and 30 September 2023, is set out in the following tables.

### Statement of comprehensive income

Nature of Information	Year ended 31 March 2023			Year ended 31 March 2022			Six months ended 30 September 2023 (unaudited)			Six months ended 30 September 2022 (unaudited)		
	Revenue return (£'000)	Capital return (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)	Revenue return (£'000)	Capital return (£'000)	Total (£'000)
Net gains/(losses) on investments	—	(8,800)	(8,800)	—	29,232	29,232	—	(1,204)	(1,204)	—	(7,283)	(7,283)
Net currency gains/(losses)	(4)	(869)	(873)	3	(445)	(442)	(22)	(66)	(88)	24	(1,946)	(1,922)
Income	8,238	266	8,504	7,378	—	7,378	4,034	—	4,034	4,269	266	4,535
Investment management fee	(531)	(985)	(1,516)	(222)	(413)	(635)	(247)	(459)	(247)	(266)	(494)	(760)
Other expenses	(625)	—	(625)	(516)	—	(516)	(287)	—	(287)	(295)	—	(295)
<b>Net return/(loss) before finance costs and taxation</b>	<b>7,078</b>	<b>(10,388)</b>	<b>(3,310)</b>	<b>6,643</b>	<b>28,374</b>	<b>35,017</b>	<b>3,478</b>	<b>(1,729)</b>	<b>1,749</b>	<b>3,732</b>	<b>(9,457)</b>	<b>(5,725)</b>
Finance costs	(171)	(318)	(489)	(157)	(291)	(448)	(83)	(153)	(236)	(85)	(158)	(243)
<b>Net return/(loss) before taxation</b>	<b>6,907</b>	<b>(10,706)</b>	<b>(3,799)</b>	<b>6,486</b>	<b>28,083</b>	<b>34,569</b>	<b>3,395</b>	<b>(1,882)</b>	<b>1,513</b>	<b>3,647</b>	<b>(9,615)</b>	<b>(5,968)</b>
Taxation	(566)	—	(566)	(632)	—	(632)	(192)	—	(192)	(215)	—	(215)
<b>Net return/(loss) after taxation</b>	<b>6,341</b>	<b>(10,706)</b>	<b>(4,365)</b>	<b>5,854</b>	<b>28,083</b>	<b>33,937</b>	<b>3,203</b>	<b>(1,882)</b>	<b>1,321</b>	<b>3,432</b>	<b>(9,615)</b>	<b>(6,183)</b>
<b>Return/(loss) per Share (pence)</b>	<b>6.34</b>	<b>(10.70)</b>	<b>(4.36)</b>	<b>5.82</b>	<b>27.92</b>	<b>33.74</b>	<b>3.31</b>	<b>(1.94)</b>	<b>1.37</b>	<b>3.43</b>	<b>(9.61)</b>	<b>(6.18)</b>

### Balance sheet for closed-end funds

Nature of Information	Year ended 31 March 2023	Year ended 31 March 2022	Six months ended 30 September 2023 (unaudited)	Six months ended 30 September 2022 (unaudited)
<b>Total net assets (£'000)</b>	219,235	229,657	206,657	223,441
<b>Net Asset Value (with debt at fair value) per Share (basic and diluted) (p)</b>	220.37	230.75	220.09	222.86

### Selected pro forma financial information

Neither pro forma financial information nor any qualified audit report has been included in this Prospectus.

### **Additional information relevant to closed-end funds**

The data set out in the table below is as at the date of the latest published (unaudited) Net Asset Value of the Company as at the latest practicable date, being 20 February 2024.

<b>Share Class</b>	<b>NAV (unaudited) (£'000)</b>	<b>No. of shares (excluding shares held in treasury)</b>	<b>NAV per Share (unaudited) (p)</b>
Redeemable ordinary	202,944	89,158,378	227.62
Restricted voting deferred	N/A	2	N/A

The statement of comprehensive income for the Company can be found above.

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

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

#### *Risks relating to the Company*

- The Company has no employees and the Directors have been appointed on a non-executive basis. The Company is therefore reliant upon the performance of third party service providers (and their delegates) for its executive functions and is exposed to the risk that 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 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.

#### *Risks relating to the investment 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. 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.
- 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.
- As at 20 February 2024, the Company's investments in the United States represent approximately 50 per cent. of its gross assets (excluding cash) and the Portfolio is therefore exposed to risks associated with geographical concentration, including being exposed to the fluctuations of a more limited geographical market and fewer currencies than a less concentrated portfolio.
- The Company's returns may be adversely affected by the unfavourable performance of particular sectors or industries if they affect the performance or prospects of companies in the Portfolio.
- The Company invests in the securities of trading companies and any failure of these companies to respond to climate or social related issues, meet environmental targets or comply with applicable climate related regulations may adversely impact investor sentiment towards such companies and/or result in regulatory fines or sanctions being levied on such companies, which could have a knock-on effect on the performance and value of an investment in such companies.
- The due diligence and ongoing 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.
- The Company is exposed to currency and foreign exchange risk as a result of holding investments denominated in currencies other than Sterling which could have an adverse effect on the 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.
- The Company's investment strategy may involve the use of leverage, which exposes the Company to risks associated with borrowings and the related grant of security over its assets.

#### *Risks relating to the AIFM and the Investment Manager*

- The success of the Company is dependent on the AIFM and the Investment Manager and their expertise, key personnel, and ability to source and advise appropriately on investments. As a result of this, the Company's Portfolio, financial condition, results of operations, prospects and the value of the Shares could be adversely affected by: competitive pressures on the AIFM and/or the Investment Manager or the Investment Manager's inability to source and make successful investments; any failure by the AIFM or the Investment Manager to carry out appropriate due diligence and obtain relevant information on prospective investments; or any loss of key personnel of the AIFM or the Investment Manager and any inability to recruit appropriate replacements in a timely fashion.

#### *Risks relating to regulation, taxation and the Company's operating environment*

- The Company is subject to various political, economic and other risks (such as war, acts of terrorism, changes to any given country's political leader or significant economic downturns affecting global or more domestic markets) which may impact the economic conditions in which the Company and companies in the Portfolio operate and may adversely impact global financial markets and, consequently, the Company's performance.
- Any failure by the Company to maintain HMRC approval as an investment trust or changes 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) may adversely affect the Company and the tax treatment for Shareholders investing in the Company.
- Changes in laws or regulations governing the Company's, the AIFM's or the Investment Manager's operations may adversely affect the business and performance of the Company.

### **3. KEY INFORMATION ON THE SECURITIES**

#### **3.1. What are the main features of the securities?**

The New Shares are redeemable ordinary shares with a nominal value of one penny each and are denominated in Sterling. The ISIN of the New Shares is GB00B09G3N23 and the SEDOL number is B09G3N2. The ticker code is STS. The issue price of the New Shares will be determined on the Calculation Date and will be released by way of a RIS announcement on or around 27 March 2024.

As at 20 February 2024, being the latest practicable date prior to the publication of this Prospectus, the issued Share capital of the Company comprised 122,299,148 fully paid Shares (of which 33,140,770 Shares were held in treasury) and two Restricted Voting Deferred Shares.

The New Shares will rank *pari passu* in all respects (including voting rights) with each other and the existing issued Shares (other than in respect of dividends or other distributions declared, made or paid on the existing Shares prior to the Effective Date). In summary, the rights attaching to the Shares are:

<i>Dividend</i>	Subject to the provisions of the Companies Act, the holders of Shares are entitled to such dividends as may be declared by the Company from time to time. Shares held in treasury do not receive dividends.
<i>Capital</i>	On a winding up, the Company's capital and assets will first be applied in repaying the nominal value of the Restricted Voting Deferred Shares and then the Shares (excluding Shares held in treasury) shall rank equally for the nominal capital paid up thereon and in respect of any surplus. The Restricted Voting Deferred Shares will not rank in respect of any surplus remaining after the payment of their nominal value.
<i>Voting</i>	Holders of Shares are entitled to attend, speak and vote at general meetings of the Company. Each Share (excluding Shares held in treasury) carries one vote. Treasury shares do not carry voting rights.
<i>Redemption</i>	Holders of Shares have the right to have all or any of their Shares redeemed by the Company, exercisable in the event that, over the Quarterly Period ending on 31 March in each year, the average daily discount of the closing mid-market price of a Share to the prevailing NAV per Share exceeds 7.5 per cent. (subject to the terms of the Existing Articles).

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

Subject to the terms of the Articles and applicable securities laws, there are no restrictions on the transferability of the Shares.



### *Dividend policy*

The Company's dividend policy is to provide Shareholders with a regular income paid quarterly in April, July, October and January each year by way of interim dividends. The Company does not have any formal policy to achieve any specified level of dividend. The Company conducts its business so as to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the Investment Trust Tax Regulations, the Company does not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period and seeks to distribute at least the minimum amount required to maintain investment trust status. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

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

Applications will be made to the FCA for the New Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective, and dealings in the New Shares will commence, on 28 March 2024.

### **3.3. What are the key risks specific to the securities?**

The following is a brief description of what the Directors and Prospective Directors believe, at the time of publication of this Prospectus, to be the key material risks specific to an investment in the Shares:

- There is no guarantee that the Company's discount control mechanism will effectively manage the discount or premium to Net Asset Value at which the Shares may trade and the price that can be realised for Shares will be subject to market fluctuations. There can be no assurance, express or implied, that Shareholders will receive back the amount of their investment in the Shares.
- It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares. Except for certain circumstances as provided in the Existing Articles, Shareholders have no general right to have their Shares redeemed or repurchased by the Company.

## **4. KEY INFORMATION ON THE OFFER**

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

#### *Terms and conditions*

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

The Issue is conditional on, amongst other things:

- (a) the passing of the TIGT Resolutions to approve the Scheme and the winding up of TIGT at the TIGT General Meetings and the Scheme becoming unconditional (including the Transfer Agreement becoming unconditional in all respects);
- (b) the passing of the Resolution to approve the issue of the New Shares at the General Meeting (being Resolution 1) and such Resolution becoming unconditional in all respects;
- (c) the FCA agreeing to admit the New Shares to the Official List and the London Stock Exchange agreeing to admit the New Shares to trading on its Main Market, subject only to allotment; and
- (d) the Directors and the TIGT Directors resolving to proceed with the Scheme.

If any of the above conditions are not satisfied by 31 March 2024, unless such date is extended by mutual agreement between the Company and TIGT, the Scheme will not become effective and no New Shares will be issued to TIGT Shareholders pursuant to the Scheme.

## 4.2. Expected timetable

2024

Publication of this Prospectus	23 February
First TIGT General Meeting	2.30 p.m. on 13 March
General Meeting of the Company	3.00 p.m. on 13 March
Record Date for entitlements under the Scheme	6.00 p.m. on 13 March
Ex-dividend date for the STS Third Quarterly Interim Dividend	14 March
Record date for the STS Third Quarterly Interim Dividend	15 March
Announcement of the results of the Elections under the Scheme	15 March
Calculation Date for the Scheme	Market Close on 21 March
Second TIGT General Meeting	11.00 a.m. on 27 March
Effective Date of implementation of the Scheme	27 March
Announcement of the TIGT FAV per Share, the Cash NAV per TIGT Share and the STS FAV per Share	27 March
CREST Accounts credited with, and dealings commence in, New Shares	at, or soon after, 8.00 a.m. on 28 March
Share certificates despatched in respect of New Shares	no later than 10 Business Days from the Effective Date
Date of payment for the STS Third Quarterly Interim Dividend	19 April

### Notes:

- 1) All references to time in this Prospectus are to London (UK) time, unless otherwise stated.
- 2) The timetable set out above and referred to throughout this Prospectus and in any accompanying documents may be subject to change. If any of the above times and/or dates should change, the revised times and/or dates will be notified to Shareholders by way of an announcement through a Regulatory Information Service.

### Details of Admission

The Shares are currently listed on the premium segment of the Official List and traded on the Main Market. Applications will be made to the FCA for the New Shares to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. If the Scheme becomes effective, it is expected that the New Shares will be admitted to the Official List, and dealings in the New Shares will commence on the Main Market, on 28 March 2024.

### Distribution

The Company will notify TIGT Shareholders of the number of New Shares to which each TIGT Shareholder is entitled and the results of the Issue will be announced by the Company on or around 27 March 2024 through a RIS announcement.

The New Shares will be available to be issued in either certificated form or uncertificated form. Where applicable, share certificates are expected to be dispatched by post by no later than 10 Business Days from the Effective Date.

### Dilution

Unless they also hold TIGT Shares at the relevant date, Existing Shareholders are not able to participate in the Issue and will suffer a dilution to the percentage of the issued Share capital that their current holding represents based on the actual number of New Shares issued under the Scheme.

**For illustrative purposes only**, if approximately 56.8 million New Shares were to be issued (being the estimated number of Shares that will be issued pursuant to the Issue, assuming that no TIGT Shareholders exercise their right to dissent from participation in the Scheme, that 25 per cent. of the total TIGT Shares are elected for the Cash Option, and that the ratio between the TIGT FAV per Share and the STS FAV per Share is approximately 0.33) then, based on the issued Share capital of the Company as at 20 February 2024, and assuming that: (i) an Existing Shareholder is not a TIGT Shareholder and is therefore not able to participate in the Issue; and (ii) there had been no change to the Company's issued Share capital or the number of Shares held by the Existing Shareholder prior to Admission, an Existing Shareholder holding 1.0 per cent. of the Company's issued Share capital as at 20 February 2024 would then hold approximately 0.61 per cent. of the Company's issued Share capital immediately following Admission.

### *Expenses of the Scheme and the Issue*

Save as described below, the Company and TIGT have each agreed to bear their own costs in relation to the Proposals. The fixed direct costs of the Proposals payable by the Company are expected to be approximately £790,000 inclusive of VAT (which is assumed to be irrecoverable where applicable). Such costs are expected to be fully offset by the Troy Cost Contribution (as defined below).

Any costs of realignment and/or realisation of the TIGT Portfolio will be borne by TIGT. The Acquisition Costs, being the anticipated costs of stamp duty, stamp duty reserve tax or other transaction tax for the acquisition of the Rollover Pool by the Company (but not, for the avoidance of doubt, any stamp duty, stamp duty reserve tax or investment costs incurred by the Company on the deployment of the cash therein upon receipt under the Scheme) will be borne by TIGT, together with the London Stock Exchange's Admission Fees. Such costs are not reflected in the estimate of costs above.

Troy has agreed to make a contribution to the costs of the Proposals by means of a reduction in the management fee payable by the Enlarged Company to Troy. This fee reduction will constitute a waiver of the management fee that would otherwise be payable by the Enlarged Company to Troy in respect of the assets transferred by TIGT to the Company pursuant to the Scheme for the first 18 months following the completion of the Scheme at the blended rate of the Enlarged Company's New Fee Arrangements (the "**Troy Cost Contribution**"). The financial value of the Troy Cost Contribution will first be credited to the STS FAV against the STS Direct Costs (which for these purposes are capped at £900,000 (inclusive of VAT)) and, in the event that the Troy Cost Contribution exceeds the STS Direct Costs, an amount equal to the difference between the Troy Cost Contribution and the STS Direct Costs will be credited to the TIGT FAV. Based on the net assets of TIGT and the Company as at 20 February 2024, and assuming there are no Dissenting TIGT Shareholders, it is currently estimated that the total value of the Troy Cost Contribution will be between £970,000 (if there is a 30 per cent. take up of the Cash Option) and £1.1 million (if there is a 20 per cent. take up of the Cash Option), which would fully offset the Company's fixed direct costs in relation to the Proposals.

In the event that implementation of the Scheme does not proceed, each party will bear its own costs.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

### **4.3. Why is this Prospectus being produced?**

As announced by the Company on 28 November 2023, the Board has agreed terms with the TIGT Board in respect of a proposed combination of the assets of the Company with TIGT. The New Shares are being issued to TIGT Shareholders in connection with the recommended proposals to combine the Company and TIGT, in consideration for the transfer of the Rollover Pool to the Company pursuant to the Scheme. Pursuant to the terms of the Scheme and the Transfer Agreement, the New Shares will be allotted to the Liquidators (as nominees for the TIGT Shareholders that validly elected, or were deemed to elect, for the Rollover Option) who will renounce their entitlement to the New Shares in favour of the TIGT Shareholders that validly elected, or were deemed to elect, for the Rollover Option. The Rollover Pool will consist of investments aligned with the Company's investment objective and policy as at the Effective Date, and cash and cash equivalents. Any cash in the Rollover Pool and any proceeds of the realisation of cash equivalents in the Rollover Pool will be used to acquire investments in accordance with the Company's investment policy.

The Issue has not been underwritten.

The AIFM, the Investment Manager and their affiliates serve as the alternative investment fund manager, investment manager and/or investment advisers 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 AIFM, the Investment Manager and/or their 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 AIFM, the Investment Manager and/or their affiliates may have a greater financial interest. In addition, the AIFM and the Investment Manager may provide investment management, investment advice or other services in relation to a number of funds and/or investment companies that may have similar investment policies to that of the Company, including TIGT. The Investment Manager has agreed, pursuant to the Investment Management Delegation Agreement, not to advise or manage any other closed-ended investment company which is also a member of the AIC Global Equity Income Sector without the prior written consent of the Board. However, there can be no assurance that the AIFM and the Investment Manager will resolve all conflicts of interest in a manner that is favourable to the Company. Save as aforesaid, there are no conflicting interests that are material to the Issue.

## RISK FACTORS

An investment in the Shares carries a number of risks including the risk that the entire investment may be lost. In addition to all other information set out in this Prospectus, the following specific factors should be considered when deciding whether to make an investment in, or otherwise acquire, the Shares. The risks set out below are those which are considered to be the material risks relating to an investment in the Shares as at the date of this Prospectus but are not the only risks relating to the Shares or the Company. No assurance can be given that Shareholders will realise profit on, or recover the value of, their investment in the Shares, or that the Company will achieve any of its target returns. It should be remembered that the price of securities, and the income from them, can go down as well as up.

The success of the Company will depend on the ability of the Investment Manager to pursue the investment policy of the Company successfully and on broader market conditions and the risk factors set out below.

TIGT Shareholders should note that the risks relating to the Company, its investment policy and strategy and the Shares summarised in the section of this Prospectus headed “Summary” are the risks that the Board and the Prospective Directors believe to be the most essential to an assessment by a TIGT Shareholder of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, TIGT Shareholders should consider not only the information on the key risks summarised in the section of this Prospectus headed “Summary” but also, amongst other things, the risks and uncertainties described in this “Risk Factors” section of this Prospectus. Additional risks and uncertainties not currently known to the Company or the Directors and the Prospective Directors or that the Company or the Directors and the Prospective Directors consider to be immaterial as at the date of this Prospectus may also have a material adverse effect on the Company’s financial condition, business, prospects and results of operations and, consequently, the Company’s NAV and/or returns to Shareholders and/or the market price of the Shares.

TIGT Shareholders should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an Election.

### RISKS RELATING TO THE COMPANY

#### **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 Investment Manager, the Registrar and the Depositary (and their delegates) will 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 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.

#### **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 AIFM and Investment Manager) 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, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

A failure of, or breach in, cybersecurity (“**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.

While the AIFM and the Investment Manager, along with other service providers (and their delegates), have 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 AIFM or 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.

## **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 both in the UK and in the overseas jurisdictions in which the Company invests, and on the economies of these regions more broadly. 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.

### **Market perception of the investment strategy and objective**

The market may perceive the Company’s investment strategy and/or objective to be unattractive or inappropriate and this may lead to reduced returns for Shareholders and, as a result, the Company may become unattractive to investors. This may lead to decreased demand for the Shares and a fall in the Company’s Share price.

### **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 on a global basis, but in particular in the UK and in the overseas jurisdictions in which the Company invests (including the US).

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 in which the Company invests 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 conflict), 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. In particular, it is also unclear what impact the forthcoming 2024 US elections may have on US and global equity markets, and therefore the value of the Portfolio and the market value of the Shares.

Given that the Company invests in listed or quoted securities globally, the Company's NAV is inherently sensitive to the performance of world stock markets. If world stock markets experience volatility and disruption, the Company's NAV could also become volatile and it is likely that the Shares will trade at a discount to the NAV. In any event, although the Company has the ability to provide liquidity in the form of share buybacks and the DCM, this could make the Shares less liquid and more difficult to sell.

The scope of the Company's investment policy means that the Company can and does invest in businesses that generate revenue in emerging markets. Certain portfolio companies are, therefore, subject to emerging market risk and if the particular economic, regulatory, political, diplomatic, geopolitical, environmental or taxation risks associated with those emerging markets were to materialise, this could have an adverse impact on the value of such companies and, in turn, the Company's NAV and/or the market price of the Shares. This could impact the returns generated for Shareholders.

**A material proportion of the Portfolio comprises investments in the US and the Portfolio is therefore exposed to risks associated with geographical concentration**

As at 20 February 2024, the Company's investments in the United States represent approximately 50 per cent. of its gross assets, excluding cash. The Portfolio is therefore exposed to risks associated with geographical concentration, including being exposed to the fluctuations of a more limited geographical market and fewer currencies than a less concentrated portfolio. The Company is exposed to particular economic, regulatory, political, geopolitical, environmental and taxation risks associated with investments in the United States (and North America more broadly) which could have an adverse effect on the Portfolio, the Company's financial condition, results of operations and prospects were they to materialise, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

As noted above, it is also unclear what impact the forthcoming 2024 US elections may have on US and global equity markets and therefore the value of the Portfolio and the market value of the Shares.

**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. The Company's returns may, however, 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 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 is, and will continue to be, exposed to foreign exchange risk**

The Company has and may in the future have further investments denominated in currencies other than Sterling. The Company therefore is, and will continue to be, exposed to foreign exchange risk. Changes in the rates of exchange between Sterling and any currency will cause the value of any investment denominated in that currency, and any income arising out of the relevant investment, to go down or up in Sterling terms. The Company will also be exposed to foreign exchange risk as a result of non-Sterling borrowings and, in addition, there is further foreign exchange risk where the currency denominations of the Company's borrowings diverge from the currency denominations of its underlying assets.

The Company has the ability to enter into hedging transactions to mitigate its exposure to fluctuations in foreign exchange rates. However, such currency exposure could have an adverse effect on the Portfolio and 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. As at the date of this Prospectus the Company does not have any hedging arrangements in place.

**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 and other gearing to seek to enhance investment returns and it has entered into the Revolving Credit Facilities Agreement to do so. 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 buybacks) will, in the absence of a corresponding reduction in gearing, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings, which may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments.

No assurance can be given that any sales of the Company's investments would realise proceeds which would be sufficient to repay any borrowings.

There is no guarantee that any borrowings of the Company will be refinanced on their maturity, either on terms that are acceptable to the Company or at all.

The Company will pay interest on any borrowings and, as such, the Company will be exposed to interest rate risk due to fluctuations in the prevailing market rates. The Company may employ hedging techniques designed to reduce the risk of adverse movements in interest rates. However, such strategies may also result in losses and overall poorer performance than if the Company had not entered into such hedging transactions.

Nothing in this risk factor is intended to qualify the statement as to the sufficiency of the Company's working capital that is set out in paragraph 8 of Part 5 (*Financial Information*) of this Prospectus.

#### **The Company must be able to operate within its borrowing covenants**

The borrowings that the Company has in place contain certain covenants, reflecting accepted market practice. If assets owned by the Company decrease in value, such covenants could be breached, and the impact of such an event could include: an increase in borrowing costs; a call for additional capital from the lender; payment of a fee to the lender; or a sale of one or more assets. This could result in a total or partial loss of equity value for each specific asset, or indeed the Company as a whole.

#### **The Company is subject to risks associated with any hedging or derivative transactions in which it participates**

The Company has the ability to use derivatives for the purpose of efficient portfolio management (including reducing, transferring or eliminating investment risk in its investments and protection against currency risk) and for investment purposes. Derivative transactions may be volatile and involve various risks different from, and in certain cases, greater than the risks presented by other instruments. The primary risks related to derivative transactions include counterparty, correlation, illiquidity, leverage, volatility and over-the-counter trading risks.

Counterparty risk is the risk that a counterparty in a derivative transaction will not fulfil its contractual or financial obligations to the Company or the risk that the reference entity in a swap or similar derivative will not fulfil its contractual or financial obligations. Correlation risk is the risk that an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Company from achieving the intended hedging effect or expose the Company to the risk of loss. Liquidity risk is the risk that derivative transactions may not be liquid in all circumstances, such that in volatile markets it may not be possible to close out a position without incurring a loss.

Leverage may be generated through the use of such financial instruments, which inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. This is due to the fact that, generally, only a very small portion (and in some cases none) of the value of the underlying security or instrument is required to be paid in order to make such leveraged investments. As a result of any leverage employed by the Company, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. A small investment in derivatives could have a large potential impact on the Company's performance, effecting a form of investment leverage on the Portfolio. In certain types of derivative transactions, the entire amount of the investment could be lost. In other types of derivative transactions, the potential loss is theoretically unlimited.

Volatility risk is the risk resulting from the fact that the prices of many derivative instruments, including many options and swaps, are highly volatile, due to being influenced by, amongst other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies, as well as (in the case of options and swaps agreements) the price of the securities or currencies underlying the relevant derivative agreement.

Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position.



Accordingly, in the event that the Company uses derivative instruments this may expose the Company to greater risk and have a material adverse effect on the Company's performance.

**The Company may be exposed to legal, political or other market risks through investing in companies in the Portfolio located in overseas jurisdictions or traded on overseas stock markets**

The Company invests in companies incorporated or traded on stock markets outside of the United Kingdom which exposes the Company to the following risks:

- adverse changes in local economic and political stability in countries in which a company in the Portfolio is incorporated or the stock market on which the company in the Portfolio is traded, particularly where such situations impact the revenues generated by that company, returns made to overseas investors in that company, or other investor rights in relation to that company (such as liquidity rights);
- exchange rate fluctuations between Sterling and the currency of a jurisdiction in which a company in the Portfolio is domiciled or generates its income;
- unexpected changes in the regulatory environment, such as changes to a country's (or an overseas stock market's) rules relating to: (i) investor protection or liquidity rights; (ii) listing on that stock market, particularly where such rules become materially more burdensome for a company in the Portfolio; (iii) payment of returns to overseas investors (whether as capital or income); or (iv) eligibility of overseas investors to invest in a company in the Portfolio;
- tax systems that may have an adverse effect on the revenue received by the Company and, in particular, regulations relating to the imposition of any withholding taxes on the repatriation of capital or income from those jurisdictions in which companies in the Portfolio are domiciled or generate income; and
- the imposition, in the future, of any sanctions and corresponding banking restrictions in respect of a jurisdiction in which a company in the Portfolio is incorporated or the stock market on which the company in the Portfolio is traded.

Any of the above may have an adverse effect on the value of a company in the Portfolio and revenues received by the Company from the relevant company in the Portfolio, which would in turn have an 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, and the returns generated for Shareholders.

**RISKS RELATING TO THE AIFM AND INVESTMENT MANAGER**

**The success of the Company is dependent on the AIFM and 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 AIFM is solely responsible for the management of the Company's investments, with the AIFM delegating its portfolio management responsibilities to the Investment Manager. 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 AIFM and 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 AIFM and the Investment Manager and their personnel, services and resources.

The information contained in this Prospectus relating to the prior performance of investments made by the AIFM and the Investment Manager on behalf of the Company is being provided for illustrative purposes only and is not indicative of the likely future performance of the Company. In considering the prior performance information contained in this Prospectus, TIGT Shareholders should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses.

Returns on Shareholders' investments in Shares will depend upon the AIFM's and 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 invest in 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 AIFM's and the Investment Manager's investment decisions will depend upon the ability of their 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 AIFM and the Investment Manager and their employees and agents will be able to obtain it. The AIFM and 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 AIFM and 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 AIFM and 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 AIFM and 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 AIFM and the Investment Manager, and/or the AIFM's and the Investment Manager's ability to recruit individuals of similar experience and calibre. Whilst the AIFM and the Investment Manager seek to ensure that the principal members of its management teams are suitably incentivised, the retention of key members of those teams cannot be guaranteed. There is no guarantee that following the death, disability or departure from the AIFM or the Investment Manager of any key personnel the AIFM or 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, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The AIFM and the Investment Manager are not required to commit all of their resources to the Company's affairs. Insofar as the AIFM and the Investment Manager devote resources to their responsibilities to other business interests, their ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability 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 alternative investment fund manager and/or investment manager if the AIFM and/or the Investment Manager were to resign or the Investment Management Agreement and/or Investment Management Delegation Agreement were to be terminated**

Under the terms of the Investment Management Agreement, the AIFM may resign as the Company's manager by giving the Company not less than six months' written notice. Further, the Investment Management Agreement may be terminated immediately upon notice by the AIFM or by the Company in certain circumstances. Under the terms of the Investment Management Delegation Agreement, the Investment Manager may resign as the Company's investment manager by giving the Company not less than six months' written notice. Further, the Investment Management Delegation Agreement may be terminated immediately upon notice by the AIFM, the Investment Manager or the Company in certain circumstances.

The Board would, in such circumstances, have to find a replacement alternative investment fund manager and/or investment 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 and/or Investment Management Delegation 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, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

**The AIFM, the Investment Manager and their 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 AIFM, the Investment Manager and their 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 AIFM, the Investment Manager and/or their 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 AIFM, the Investment Manager and/or their affiliates may have a greater financial interest. Furthermore, the AIFM and the Investment Manager may provide services to certain in-house funds into which the Company may invest which may give rise to a conflict of interest. There can be no assurance that the AIFM and the Investment Manager will resolve all conflicts of interest in a manner that is favourable to the Company.

**Reputational risks, including those arising from litigation against the AIFM, 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 AIFM, the Investment Manager or the Company. If the AIFM, 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 AIFM, the Investment Manager and the Company and result in potential counterparties, investee companies and other third parties being unwilling to deal with the AIFM, the Investment Manager and/or the Company. Damage to the reputation of the AIFM, 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, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

## **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, 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 Scotland, 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 Main Market and to listing on the premium listing category of the Official List. 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, the AIFM 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 information on Shareholders under other exchange of information arrangements**

The UK has concluded an intergovernmental agreement ("IGA") with the US (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 and/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.

**RISKS RELATING TO AN INVESTMENT IN 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.

**There is no guarantee that the Company's discount control mechanism will effectively manage the discount or premium to Net Asset Value at which the Shares may trade and the price that can be realised for Shares will be subject to market fluctuations**

The shares of an investment company such as the Company may trade at a discount to their underlying net asset value. This could be due to a variety of factors, including due to market conditions or an imbalance between supply and demand for the shares. The Company introduced a discount control mechanism in November 2020 which aims to ensure, in normal market conditions, that the Shares trade consistently close to their Net Asset Value, providing liquidity for all Shareholders (the "DCM"). Under the DCM, the Company has committed to buying back Shares when there is excess supply and issuing Shares when there is excess demand. However, while the Directors may seek to mitigate the discount of the Share price to the NAV per Share through such discount management mechanisms as they consider appropriate (including the DCM), there can be no guarantee that they will do so or that such efforts will be successful. For example, the Directors would be unable to operate such discount management mechanisms in certain circumstances such as where Shareholder authority to buy back or issue Shares has been fully utilised or where the Company does not have sufficient distributable reserves to purchase Shares. As a result of this, investors that dispose of their interests in the Shares

in the secondary market may realise returns that are lower than they would have been if an amount equivalent to the Net Asset Value was distributed. In addition, a widening discount may undermine investor confidence in the Company.

The market price of the Shares may significantly fluctuate and Shareholders may not be able to sell Shares at or above the price at which they purchased those Shares. Factors that may cause the price of the Shares to vary include those detailed in this “Risk Factors” section of this Prospectus, such as: changes in the Company’s financial performance and prospects, or in the financial performance and market prospects of the Company’s investments or those which are engaged in businesses that are similar to the Company’s business; the termination of the Investment Management Agreement and/or the Investment Management Delegation Agreement or the departure of some or all of the AIFM’s or the Investment Manager’s key investment professionals; changes in or new interpretations or applications of laws and regulations that are applicable to the Company’s business or to the companies in which the Company makes investments; general economic trends and other external factors, including those resulting from war (in particular, the current conflicts in Ukraine and the Middle East and any potential future conflict), incidents of terrorism, pandemics or responses to such events; poor performance in any of the Investment Manager’s activities or any event that affects the Company’s or the Investment Manager’s reputation; speculation in the press or investment community regarding the Company’s business or investments, or factors or events that may directly or indirectly affect the Company’s business or investments; and foreign exchange risk as a result of making and selling equity investments denominated in currencies other than Sterling.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance or fundamentals of individual companies. Market fluctuations may adversely affect the trading price of the Shares. As with any investment, the price of the Shares may fall in value with the maximum loss on such investments being equal to the value of the initial investment and, where relevant, any gains on subsequent investments made.

**It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares, and Shareholders have no general right to have their Shares redeemed or repurchased by the Company**

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.

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

Under the Articles, Shareholders have the right to have their Shares redeemed in certain limited circumstances. This right would be triggered in the event that the Company’s average discount to NAV (measured by the average daily discount of the closing mid-market price of a Share to the prevailing NAV per Share) exceeds 7.5 per cent. over the Quarterly Period ending on 31 March in any year (a “**Relevant Quarterly Period**”). Where this right is triggered, a Shareholder would be entitled to lodge a notice of redemption in respect of up to their entire holding of Shares, and any redemptions would occur on the final day of the Quarterly Period during which the Company holds its next Annual General Meeting following the Relevant Quarterly Period (a “**Redemption Date**”) at a redemption price per Share calculated in accordance with the provisions of the Articles. However, where the redemption right is triggered under the Articles, there can be no guarantee that the Company will have sufficient distributable reserves to satisfy in full all of the requests for redemption received from Shareholders. If the Company had insufficient distributable reserves to satisfy such requests, the Company would redeem only a proportion of the Shares that Shareholders had requested to redeem, and Shareholders would not be able to realise (at the redemption price calculated in accordance with the provisions of the Articles) all of the Shares in respect of which they had returned a notice of redemption. Moreover, where the redemption right is triggered, the Board is required by the Articles to hold a general meeting of the Company prior to the relevant Redemption Date, at which a special resolution must be proposed to cancel the relevant redemption process. If Shareholders were to pass that special resolution then the relevant redemption process would not proceed and would be cancelled, and no Shareholder would be able to redeem any of their Shares on the relevant Redemption Date.

Subject to the Companies Act, the Directors retain the power to effect repurchases of Shares. However, they are under no obligation to use such power at any time and Shareholders should not place any reliance on the willingness of the Directors to exercise such power. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market. There can be no guarantee that a liquid market in the Shares will develop or continue, or that the Shares will trade at prices close to the prevailing Net Asset Value per Share. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value, or at all.

**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.

**Potential future Share buybacks 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 buyback(s) undertaken by the Company or, more significantly, any tender offer undertaken by the Company, may, depending on the size and nature of such buyback(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.

**RISK RELATING TO THE SCHEME**

**Implementation of the Proposals is subject to certain conditions**

Implementation of the Proposals is conditional upon, amongst other things the passing of the Resolution to approve the issue of New Shares in connection with the Scheme at the General Meeting (being Resolution 1) and TIGT Shareholders approving the Scheme. If any condition of the Proposals is not met, the Company will bear certain costs associated with the Proposals, including professional advisers' costs. In the event the Scheme is not implemented, the costs of the Scheme to be borne by the Company are expected to be approximately £466,350. In these circumstances, the Company and TIGT would remain as separate investment trusts.

## IMPORTANT INFORMATION

### General

**This Prospectus should be read in its entirety. Prospective investors should rely only on the information contained in this Prospectus or any supplementary prospectus published by the Company prior to Admission. No person has been authorised to give any information or make any representations in connection with the Issue other than the information contained in, or incorporated by reference into, this Prospectus (or any supplementary prospectus published by the Company prior to the date of Admission) and, if given or made, such information or representations about the Company or the Issue must not be relied upon as having been authorised by or on behalf of the Company, the AIFM, the Investment Manager, the Sponsor or any of their respective affiliates, officers, directors, members, employees or agents.**

**Without prejudice to the Company's obligations under the UK Prospectus Regulation, the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR, neither the delivery of this Prospectus nor the issue of New Shares made pursuant to the Issue shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein, including any forward-looking statements, is correct as at any time subsequent to the date of this Prospectus.**

TIGT Shareholders should consider carefully all of the information contained in this Prospectus. However, the contents of this Prospectus or any subsequent communications from the Company, the AIFM, the Investment Manager, the Sponsor or any of their respective affiliates, officers, directors, employees or agents, are not to be construed as advice relating to legal, financial, business, taxation, accounting, regulatory, investment or any other related matters. The tax legislation of a Shareholder's home jurisdiction may have an impact on the income received by the Shareholder from the Shares. Each prospective investor should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the acquisition/receipt of New Shares.

The Shares are designed to be held over the long-term and may not be suitable as short-term investments. The value of an investment in the Company and any income derived from it, if any, may go down as well as up. An investment in the Shares is suitable only for long-term investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which might result from such an investment (which may be equal to the whole amount invested). Accordingly, typical investors in the Shares are institutional investors, private clients through their wealth managers, experienced investors, high net worth investors, professionally advised investors and retail investors (who may have basic or no knowledge and experience of investing in financial markets) who have taken appropriate steps to ensure that they understand the risks involved in investing in the Company.

There can be no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. There can be no guarantee that the investment objective of the Company will be achieved or will provide the returns sought by the Company. The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance. The past performance of the Company is not a guarantee of the future performance of the Company. Shareholders will bear the rewards and risks of the success or otherwise of the Company's investments. Although the Shares are, and the New Shares will be, listed on the premium segment of the Official List and admitted to trading on the Main Market, it is possible that there may not be a liquid market in the Shares and Shareholders may have difficulty in selling them.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor 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, the Sponsor and its affiliates, officers, directors, employees and agents make no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company, the Issue, the Scheme, the Shares or any transaction or arrangement referred to in this Prospectus. The Sponsor and its affiliates, officers, directors, employees and agents, accordingly, to the fullest extent



permitted by law, disclaim all and any responsibility or liability, whether arising in tort or contract or otherwise (save as referred to above) which it or they might otherwise have in respect of this Prospectus or any such statement.

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

All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles of the Company. A summary of the provisions in the Articles relating to the rights attaching to the Shares, including any limitation of those rights and procedures for the exercise of those rights, is set out in paragraph 5 of Part 7 (*General Information*) of this Prospectus.

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

### **Selling restrictions**

**The New Shares are only available to TIGT Shareholders and are not being offered to Existing Shareholders (save to the extent an Existing Shareholder is also a TIGT Shareholder) or to the public.**

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any New 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 New 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 New 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 New Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for in the United Kingdom, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of New 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 EEA**

In relation to each EEA Member State, no New Shares have been offered or will be offered pursuant to the Issue to the public in that EEA Member State prior to the publication of a prospectus in relation to the New Shares 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 the New Shares may be offered to the public in that EEA Member State at any time with the prior consent of its sponsor under the following exemptions under the EU Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in Article 2 of the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in that EEA Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of New Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement to a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

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

Further, the AIFM has not made any notifications or applications or received approvals for the marketing of the New Shares to “professional investors” (as defined in the EU AIFM Directive) in any EEA Member State. Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any TIGT Shareholder (or any other person) domiciled in any EEA Member State. TIGT Shareholders domiciled in the EEA that have received the Prospectus in any EEA Member State are not, save as otherwise agreed with the Company, entitled to receive New Shares in connection with the Scheme (and the Company reserves the right to reject any application so made, without explanation).

Notwithstanding that the AIFM may confirm, from time to time, that it is able to market New Shares to TIGT Shareholders who are professional investors in an EEA Member State, the New 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 New Shares have been qualified for marketing to retail investors in that EEA Member State in accordance with applicable local laws. As at the date of this Prospectus, the New Shares are not eligible to be marketed to retail investors in any EEA Member State. Accordingly, no retail investor in any EEA Member State is entitled to receive New Shares in connection with the Scheme and, as such, the New Shares may not be offered, sold or delivered and neither this Prospectus nor any other offering materials relating to such New Shares may be distributed or made available to retail investors in any EEA Member State.

#### ***Notice to prospective investors with respect to United States federal securities laws***

The New 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 “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 and returned a US Investor Representation Letter. A US TIGT 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 New Shares will not be entitled to the benefits of the US Investment Company Act. The New 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 New Shares in the United States.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. For further information on restrictions on transfers of the Shares, please refer to the section titled “Overseas TIGT Shareholders” at paragraph 9 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

#### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) the UK’s implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended (“**UK MiFID II**”); and (b) the UK’s implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing UK MiFID II, and, in particular, Chapter 3 of the Product Intervention and Product Governance Sourcebook of the FCA (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 New Shares have been subject to a product approval process,

which has determined that the New Shares to be issued pursuant to the Issue 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 UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, distributors (such term to have the same meaning as in the MiFID II Product Governance Requirements) should note that: (i) the price of the New Shares may decline and investors could lose all or part of their investment; (ii) the New Shares offer no guaranteed income and no capital protection; and (iii) an investment in the New 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 which may be equal to the whole amount invested from such an investment. Accordingly, typical investors in the New Shares are expected to be institutional investors, private clients through their wealth managers, experienced investors, high net worth investors, professionally advised investors and retail investors who may have basic or no knowledge and experience of investing in financial markets who have taken appropriate steps to ensure that they understand the risks involved in investing in the Company. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue.

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

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares when determining appropriate distribution channels.

#### **UK PRIIPs Laws and the EU PRIIPs Regulation**

Investors should be aware that the UK PRIIPs Laws and the EU PRIIPs Regulation require the AIFM, as PRIIP manufacturer, to prepare key information documents (“**KIDs**”) in respect of the Company for retail investors in the UK and the EEA, respectively. These KIDs must be made available by the AIFM to retail investors prior to them making any investment decision and are available on the Company’s website at [www.stsplc.co.uk](http://www.stsplc.co.uk). The Company is not responsible for the information contained in the KIDs and investors should note that the procedures for calculating the risks, costs and potential returns referred to in the KIDs are prescribed by law. The figures in the KIDs may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed.

The AIFM is the only manufacturer of the Shares for the purposes of the UK PRIIPs Laws and EU PRIIPs Regulation, and the Sponsor is not a manufacturer for these purposes. The Sponsor does not make any representation, express or implied, nor accept any responsibility whatsoever for the contents of the KID(s) prepared in respect of an investment in the Shares nor accepts any responsibility to update the contents of the KID(s) in accordance with the UK PRIIPs Laws and/or the EU PRIIPs Regulation, to undertake any review processes in relation thereto or to provide the KID(s) to future distributors of Shares. Accordingly, the Sponsor disclaims all and any liability whether arising in tort or contract or otherwise which it might have in respect of any KID prepared in respect of an investment in the Shares from time to time.

#### **Non-mainstream pooled investments status and UK MiFID II**

As the Company is a closed-ended investment company which is an investment trust domiciled in the United Kingdom, the New Shares will be “excluded securities” under the FCA’s rules on non-mainstream pooled investments. Accordingly, the promotion of the Shares is not subject to the FCA’s restriction on the promotion of non-mainstream pooled investments. The Company intends to continue to conduct its affairs so that the Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under UK MiFID II. The Board has reviewed UK MiFID II and the ESMA guidance published in relation thereto and agrees with the AIFM’s conclusion that the Shares constitute a “non-complex” product for the purposes of UK MiFID II.

## Data protection

The information that TIGT provides to the Company or its agents in relation to the Issue or subsequently, by whatever means, which relates to the TIGT Shareholders who are individuals or a third party individual (“**personal data**”) will be held and processed by the Company in compliance with relevant data protection legislation and regulatory requirements. Such personal data may include:

- personal details such as name, title, date of birth, addresses, telephone numbers and email addresses;
- identification and verification information and documents, such as signatures, passports, driving licences, birth/marriage certificates and tax/credit references; and
- financial and transactional information, and instructions, relating to an investment.

By electing (or being deemed to elect) to receive the New Shares each TIGT Shareholder acknowledges that such information will be held and processed by the Company for the following purposes:

- the performance of the Company’s contract with a TIGT Shareholder;
- acting in a way that is necessary for the Company’s legitimate interests, including carrying out the business of the Company and the administering of interests in the Company;
- complying with the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere, including verifying the identity of a TIGT Shareholder to comply with statutory and regulatory requirements in relation to anti-money laundering procedures; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each TIGT Shareholder acknowledges that, where appropriate, it may be necessary for the Company to:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to the TIGT Shareholder; and
- transfer personal data outside of the UK and/or EEA Member States to countries or territories which may not offer the same level of protection of personal data provided that, in each case, adequate safeguards are in place for the protection of such personal data in accordance with the relevant data protection legislation and regulatory requirements in the United Kingdom and/or EEA (as applicable).

Personal data relating to TIGT Shareholders will be retained by the Company for as long as necessary to fulfil the purposes for which it was collected, including for the purposes of satisfying any legal or regulatory requirements.

Individuals have certain rights in relation to their personal data – specifically, the right to be informed, the right of access, the right to rectification, the right to erasure, the right to restrict processing, the right to data portability, the right to object to processing and the right to complain to the relevant supervisory authority (which, in the United Kingdom, is the UK Information Commissioner’s Office).

Prospective investors acknowledge that each of the AIFM and the Investment Manager will be a separate controller of the personal data and such personal data shall be held and processed by the AIFM and/or Investment Manager in compliance with relevant data protection legislation and regulatory requirements, and the Company’s privacy policy (available at [www.stsplc.co.uk](http://www.stsplc.co.uk)) and the privacy policy of the AIFM or the Investment Manager (available at [www.junipartners.com](http://www.junipartners.com) and [www.taml.co.uk](http://www.taml.co.uk) respectively) (as applicable).

TIGT Shareholders are responsible for informing and obtaining any required consent of any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

TIGT Shareholders and Shareholders will be notified if an updated privacy policy has been published on the Company's website through a RIS announcement released by the Company.

### **Forward-looking statements**

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors, the AIFM or the Investment Manager concerning, amongst other things, the Company's investment objective and investment policy, the Company's investment performance, results of operations, financial condition, prospects and dividend policy, and the markets in which the Company invests and/or operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur. 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, the factors set out in the "Risk Factors" section of this Prospectus.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Prospectus reflect the Company's view with respect to future events as at the date of this Prospectus and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations and strategy. The Company, the AIFM, the Investment Manager and the Sponsor undertake 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, EU MAR, the Disclosure Guidance and Transparency Rules, the EU AIFM Directive or the UK AIFMD Laws), whether as a result of new information, future events, conditions or circumstances, any change in the Company's, the AIFM's or the Investment Manager's expectations with regard thereto or otherwise. However, Shareholders are advised to read any communications that the Company may make directly to them, and any additional disclosures in announcements that the Company may make through a RIS announcement following the date of this Prospectus.

Given these uncertainties, TIGT Shareholders are cautioned not to place any undue reliance on such forward-looking statements and should carefully consider the section of this Prospectus titled "Risk Factors" for a discussion of additional factors that could cause the Company's actual results to differ materially before making any investment decision.

Notwithstanding the foregoing, nothing contained in this Prospectus shall in any way be taken to qualify the working capital statement contained in paragraph 8 of Part 5 (*Financial Information*) of this Prospectus.

### **Performance data**

This Prospectus includes information regarding the track record and performance data of the Investment Manager (the "**Track Record**"). Such information is not necessarily comprehensive and prospective investors should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this Prospectus relates. The past performance of the Investment Manager is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Company and/or the Investment Manager. Prospective investors should be aware that any investment in the Company involves a significant degree of risk, and could result in the loss of all, or substantially all, of their investment.

For a variety of reasons, the comparability of the Track Record information to the Company's future performance is by its nature very limited. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Company or the Investment Manager which

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.

### **Taxation**

Any change in the Company's tax status or in taxation legislation or accounting practice could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Representations in this Prospectus concerning the taxation of investors are based upon tax law and practice as at the date of this Prospectus, which are, in principle, subject to change (possibly with retrospective effect). Any change in accounting standards may adversely affect the value of the Company's assets and liabilities in its books of account or restrict the ability of the Company to pay dividends.

A guide to the general UK taxation position as at the date of this Prospectus is set out in Part 6 (*UK Taxation*) of this Prospectus.

### **Tax reporting, FATCA and Common Reporting Standard ("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.

### **Latest practicable date**

In this Prospectus, where the context requires, references to 20 February 2024 should be treated as being references to the latest practicable date prior to the publication of this Prospectus.

### **Defined terms**

Capitalised terms contained in this Prospectus have the meanings ascribed to them in Part 8 (*Definitions*) of this Prospectus, save where the context indicates otherwise.

### **Documents incorporated by reference**

The following sections of the annual report and audited financial statements of the Company for the financial years ended 31 March 2022 and 31 March 2023 and the unaudited interim financial statements of the Company for the six month periods ended 30 September 2023 and 30 September 2022 are deemed relevant for the purposes of this Prospectus and are incorporated by reference into this Prospectus. The non-incorporated parts of these financial reports of the Company are either not relevant to investors or are covered elsewhere in this Prospectus.

- the sections listed in paragraph 2 (*Historical Financial Information*) of Part 5 (*Financial Information*) of this Prospectus; and
- the sections listed in paragraph 4 (*Operating and Financial Review*) of Part 5 (*Financial Information*) of this Prospectus.

The documents incorporated by reference can be obtained from the Company's website [www.stsplc.co.uk](http://www.stsplc.co.uk).

### **No incorporation of website information**

Without limitation, neither the contents of the Company's website nor the websites of the AIFM, the Investment Manager or the Sponsor (or any other website) nor the content of any website accessible from hyperlinks on the Company's or the AIFM's or the Investment Manager's or the Sponsor'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 as to 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 and should consult their professional advisers prior to acquiring/receiving the New Shares.

**Governing law**

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

**Enforcement of civil liabilities**

The Company is organised as a public limited company incorporated under the laws of Scotland. The majority of the Company's Directors and officers are citizens and residents of jurisdictions outside the United States. In addition, the majority of the assets of the Directors and officers 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 the 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 Scotland, 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 Scotland.

## EXPECTED TIMETABLE

2024

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Publication of this Prospectus	23 February
First TIGT General Meeting	2.30 p.m. on 13 March
General Meeting of the Company	3.00 p.m. on 13 March
Record Date for entitlements under the Scheme	6.00 p.m. on 13 March
Ex-dividend date for the STS Third Quarterly Interim Dividend	14 March
Record date for the STS Third Quarterly Interim Dividend	15 March
Announcement of the results of the Elections under the Scheme	15 March
Calculation Date for the Scheme	Market Close on 21 March
Second TIGT General Meeting	11.00 a.m. on 27 March
Effective Date of implementation of the Scheme	27 March
Announcement of the TIGT FAV per Share, the Cash NAV per TIGT Share and the STS FAV per Share	27 March
CREST Accounts credited with, and dealings commence in, New Shares	at, or soon after, 8.00 a.m. on 28 March
Share certificates despatched in respect of New Shares	no later than 10 Business Days from the Effective Date
Date of payment for the STS Third Quarterly Interim Dividend	19 April

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**Note:**

<sup>(1)</sup> All references to time in this Prospectus are to London (UK) time, unless otherwise stated.

<sup>(2)</sup> The timetable set out above and referred to throughout this Prospectus and in any accompanying documents may be subject to change. If any of the above times and/or dates should change, the revised times and/or dates will be notified to Shareholders by way of an announcement through a Regulatory Information Service.



## ISSUE STATISTICS

Number of New Shares to be issued      Based on a ratio between the STS FAV per Share and TIGT FAV per Share of approximately 0.33 (which, in turn, is based on the Company's NAV and the TIGT NAV (each as at 20 February 2024) and adjusted as set out in this Prospectus), and assuming 25 per cent. of TIGT Shares are elected, or deemed to be elected, for the Cash Option and there are no Dissenting TIGT Shareholders, the Scheme would result in the issue of approximately 56.8 million New Shares<sup>(1)</sup>

## DEALING CODES

ISIN	GB00B09G3N23
SEDOL	B09G3N2
Ticker code	STS
Legal Entity Identifier (LEI) of the Company	549300UZ1Y7PPQYJGE19

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<sup>(1)</sup> This is illustrative only and is based on the illustration provided in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus. The number of New Shares to be issued pursuant to the Issue is not known at the date of this Prospectus and will depend on the ratio produced by the division of the TIGT FAV per Share by the STS FAV per Share, multiplied by the number of TIGT Shares that are elected, or deemed to be elected, for the Rollover Option. The total number of New Shares to be issued pursuant to the Issue will be notified by way of a RIS announcement on or around 27 March 2024.

## DIRECTORS, AIFM, INVESTMENT MANAGER AND OTHER ADVISERS

<b>Directors</b>	John Evans ( <i>Chairman</i> ) Angus Cockburn Gillian Elcock Sarah Harvey Alexandra Innes Mark Little
<b>Prospective Directors<sup>(1)</sup></b>	Bridget Guerin Brigid Sutcliffe
<b>Registered office</b>	28 Walker Street Edinburgh EH3 7HR
<b>Alternative Investment Fund Manager and Company Secretary</b>	Juniper Partners Limited 28 Walker Street Edinburgh EH3 7HR
<b>Investment Manager</b>	Troy Asset Management Limited 33 Davies Street London W1K 4BP
<b>Sponsor</b>	J.P. Morgan Cazenove 25 Bank Street Canary Wharf London E14 5JP
<b>Legal advisers to the Company</b>	Dickson Minto W.S. Dashwood House 69 Old Broad Street London EC2M 1QS
<b>Legal advisers to the Sponsor</b>	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
<b>Depository</b>	J.P. Morgan Europe Limited 25 Bank Street Canary Wharf London E14 5JP
<b>Custodian</b>	JPMorgan Chase Bank, N.A. 25 Bank Street Canary Wharf London E14 5JP

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<sup>(1)</sup> If the Scheme becomes effective, Bridget Guerin and Brigid Sutcliffe (both of whom are currently TIGT Directors) will join the Board as directors of the Company.

**Auditors**

Ernst & Young LLP  
25 Churchill Place  
Canary Wharf  
London  
E14 5EY

**Registrar and Receiving Agent**

Link Market Services Limited  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

**Reporting Accountants**

Johnston Carmichael LLP  
7-11 Melville Street  
Edinburgh  
EH3 7PE

## PART 1

### THE COMPANY

#### 1. INTRODUCTION AND HISTORY

STS Global Income & Growth Trust plc (the “**Company**”) is a closed-ended public limited company that was incorporated and registered in Scotland on 15 April 2005 with registered number SC283272. The Company has an unlimited life and is registered as an investment company under section 833 of the Companies Act. The Shares are listed on the premium segment of the Official List and traded on the Main Market.

The Company can trace its history back to 1889 when the Company’s predecessor, Securities Trust Of Scotland Public Limited Company (“**STOS**”), was formed. STOS went through several phases of stewardship before Martin Currie Investment Management Limited assumed the role of investment manager. In 2005 the Company acquired the assets of STOS, pursuant to a scheme of reconstruction and members’ voluntary liquidation of STOS, and was launched on the Main Market. Troy Asset Management Limited (the “**Investment Manager**” or “**Troy**”) was appointed as the Company’s investment manager in November 2020.

The Company is overseen by an independent Board of Directors. The Board has appointed Juniper Partners Limited (the “**AIFM**” or “**Juniper Partners**”) as the Company’s alternative investment fund manager for the purposes of the UK AIFMD Laws, as well as its company secretary and administrator. Juniper Partners has formally sub-delegated certain responsibilities, including day-to-day management of the Portfolio, to Troy.

The Company’s current portfolio managers are James Harries and Tomasz Boniek. Short biographies in respect of each of James and Tomasz are set out in paragraph 2.1 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus.

#### 2. BACKGROUND TO THE PUBLICATION OF THIS PROSPECTUS

##### 2.1. Background to the Proposals

As announced by the Company on 28 November 2023, the Board has agreed terms with the board of Troy Income & Growth Trust plc (“**TIGT**”) in respect of a proposed combination of the assets of the Company with TIGT. If approved, the combination will be implemented by way of a scheme of reconstruction and members’ voluntary liquidation of TIGT under section 110 of the Insolvency Act (the “**Scheme**”) and the associated transfer of part of TIGT’s cash, assets and undertaking to the Company in exchange for the issue of new redeemable ordinary shares of one penny each in the capital of the Company (the “**New Shares**”) to TIGT Shareholders who elect, or are deemed to have elected, to roll over their investment in TIGT into the Company (the “**Issue**” and together with the Company’s participation in the Scheme, the “**Proposals**”). Under the Proposals, TIGT Shareholders are being offered the option to elect to receive cash in respect of up to 100 per cent. of their holding of TIGT Shares (the “**Cash Option**”).

Following implementation of the Proposals, the Company will continue to be managed by Troy and it is intended that the Portfolio will continue to be managed on the same basis as it is currently. In particular, the Company’s investment policy and investment objective, to achieve rising income and long-term capital growth which it seeks to deliver for shareholders through investment in a balanced portfolio constructed from global equities, will not be amended in connection with the Proposals.

The Proposals are conditional on, amongst other things, the approval of TIGT Shareholders at the TIGT General Meetings and the approval by Shareholders at the General Meeting of the issue of the New Shares.

In addition, whilst not a requirement or condition of the Scheme, the Board is proposing to take the opportunity to make certain amendments to the Company’s Existing Articles and renew the Company’s buy back authority at the General Meeting. The proposed changes to the Existing Articles primarily relate to changes in law and regulation and developments in market practice since the Existing Articles were adopted and also include some additional minor or technical amendments. The proposed changes

are summarised in the Circular. For the avoidance of doubt, implementation of the Scheme is not conditional on Shareholders approving the renewal of the Company's buy back authorities or the adoption of the Revised Articles.

## 2.2. Benefits of the Proposals

The Board and the Prospective Directors believe that the Proposals will offer shareholders of the Enlarged Company the following benefits:

- **Reduction in the Company's management fees:** As part of the Proposals, Troy has agreed to reduce the annual management fees payable by the Enlarged Company to align with those currently payable by TIGT. These annual management fees will be 0.55 per cent. of net assets up to and including £250 million and 0.50 per cent. of net assets in excess of £250 million (the "**New Fee Arrangements**"). As a result of the combination of assets under the Scheme, shareholders in STS, including TIGT Shareholders that roll over, are expected to benefit from the lower marginal management fee rate charged on the value of net assets above £250 million.<sup>(1)</sup> Neither the Company nor TIGT currently meet that threshold.
- **Lower ongoing charges ratio:** As the Enlarged Company will be able to spread its fixed costs over a larger asset base and because of the New Fee Arrangements, the Proposals are expected to result in a decrease of approximately 22 per cent.<sup>(2)</sup> in the ongoing charges ratio ("**OCR**") for Existing Shareholders, based on the *pro forma* OCR of the Enlarged Company and the most recent OCR of the Company (as at 31 March 2023).
- **Enhanced marketability:** The scale of the Enlarged Company is expected to improve the marketability of the Shares.
- **Significant cost contribution from Troy:** As described in paragraph 4 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus, Troy will make a significant cost contribution equivalent to an eighteen-month fee waiver on the assets transferred to the Company under the Scheme (the "**Troy Cost Contribution**"). This is expected to fully offset the costs that would otherwise be borne by Existing Shareholders in connection with the Proposals. The Troy Cost Contribution, together with the other terms of the Scheme, means that there should be no dilution to the Company's NAV per Share as a result of the Proposals.
- **Shareholder register:** The Proposals will allow a number of Shareholders to consolidate their holdings across the Company and TIGT while also possibly creating a more diversified shareholder base through a combination of the balance of the two share registers.
- **Cost savings from the rollover of TIGT's existing holdings:** As at 20 February 2024, the Company and TIGT had 15 stocks in common, representing approximately 50 per cent. of their respective gross portfolios (excluding cash). Given there are a number of common holdings between the two companies, a material proportion of the Rollover Pool is expected to consist of TIGT's existing holdings. The Company's acquisition of such assets pursuant to the Scheme is expected to be more cost effective for the Enlarged Company than investing cash upon receipt under the Scheme in the same investee companies (assuming there is no significant change in such companies' share prices between the Calculation Date and the Effective Date).

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<sup>(1)</sup> Based on a combination of the net assets of the Company and TIGT as at 20 February 2024 (£202.9 million and £171.2 million respectively), current cost estimates and assuming there are no Dissenting TIGT Shareholders and 25 per cent. of TIGT Shares are elected for the Cash Option.

<sup>(2)</sup> Figures assume 25 per cent. of TIGT Shares are elected for the Cash Option and exclude any impact from the TIGT Portfolio realisation costs in connection with the Scheme. All figures are illustrative only, using currently available information and estimates. All figures are subject to change. The value of investments, and the income or capital entitlement which may derive from them, if any, may go down as well as up and is not guaranteed.

Furthermore, the Board and the Prospective Directors believe that the Proposals provide continuity for TIGT Shareholders wishing to remain invested in the following respects:

- **Investment objective and approach:** Like TIGT, the Company is also an equity income investment trust which targets a growing level of income and steady capital growth over the long-term and seeks to limit downside volatility. The Company also provides continued exposure to Troy's investment ethos and process. The Company is managed by Troy's global income management team, led by James Harries who has managed global equity portfolios since 2002, following a quality focussed, long-term, conservative investment approach.
- **Rollover into a global portfolio:** The Company has a global approach to achieving its investment objective, providing greater opportunity to invest in Troy's highest conviction stocks globally and to diversify sources of income. STS has a similar view to TIGT's that the UK is currently an undervalued market, particularly compared to the US market. Shareholders that roll over will continue to benefit from owning companies, both in the UK and overseas, with robust international businesses, thereby accessing diversified underlying global revenue streams.
- **Low cost Rollover Option:** TIGT Shareholders that roll over their investment are expected to receive value, through their new shareholding in the Company, at a level very close to 100 per cent. of the underlying net asset value of their TIGT Shares. As an illustration, TIGT Shareholders would receive equivalent to 99.86 per cent. of the underlying net asset value of their TIGT Shares so elected if there is a 20 per cent. take up of the Cash Option, and 100.04 per cent. of the underlying net asset value of their TIGT Shares so elected if there is a 30 per cent. take up of the Cash Option, based on current transaction assumptions. This is due to the effect of the Troy Cost Contribution, the Cash Option Discount, and the New Shares being issued on a nil-premium basis.
- **Discount control mechanism ("DCM"):** Like TIGT, in the ordinary course the Company aims to provide liquidity to its shareholders through its DCM, which it has operated since November 2020, by buying back shares when there is excess supply in the market and issuing shares when there is excess demand.

In the light of these similarities, the Board and the Prospective Directors believe a combination of the companies will create an enlarged vehicle that offers investment continuity for each set of shareholders.

The Directors and the Prospective Directors believe that the Proposals include the following additional features which are expected to have a beneficial effect for TIGT Shareholders:

- **Ability to stay invested in a tax efficient manner:** Pursuant to the Scheme, TIGT Shareholders who roll over their investment in TIGT into the Company may do so without triggering a charge to capital gains tax.
- **Notice Period Waiver:** Troy has undertaken to waive, in full, the period of notice to which it is contractually entitled under the TIGT Investment Management Delegation Agreement and has agreed that no compensation will be payable by the Company to Troy in respect of such waiver, provided that the Scheme is implemented.

### 2.3. Overview of the Scheme

The Proposals will be effected by way of a scheme of reconstruction of TIGT under section 110 of the Insolvency Act, resulting in the voluntary winding up of TIGT and the transfer of part of TIGT's cash, assets and undertaking (the "**Rollover Pool**") to the Company in exchange for the issue of New Shares by the Company on a formula asset value ("**FAV**") for FAV basis.

The Scheme is conditional on, amongst other things, approval of the Resolution to approve the Issue at the General Meeting and the approval of the TIGT Resolutions by TIGT Shareholders at the TIGT General Meetings. Further details of the conditions attaching to the Scheme are set out in paragraph 4 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

Under the Scheme, TIGT Shareholders will be entitled to elect to receive in respect of some or all of their TIGT Shares:

- New Shares (the "**Rollover Option**"); and/or
- cash (the "**Cash Option**").

The Cash Option will be unlimited, and all valid Elections for that option will be accepted. TIGT Shareholders that elect, or are deemed to have elected, for the Cash Option will receive cash equal to the Cash NAV per TIGT Share multiplied by the number of TIGT Shares they own and in respect of which they have validly elected, or are deemed to have elected, for the Cash Option. The Cash NAV per TIGT Share will be equal to the TIGT NAV (which excludes any provision for the costs of the Proposals or any costs of the Proposals already accrued in TIGT's net asset value as at the Calculation Date) divided by the number of TIGT Shares in issue as at the Calculation Date (excluding TIGT Shares held in treasury) less a discount of 2 per cent. (the "**Cash Option Discount**"). The value arising from the application of the Cash Option Discount will be credited to the TIGT FAV for the benefit of the TIGT Shareholders that roll over their investment under the Scheme.

New Shares will be issued as the default option under the Scheme in the event that TIGT Shareholders do not make a valid Election under the Scheme for the Cash Option, or to the extent that they do not make an Election for the Cash Option in respect of their entire holding of TIGT Shares.

Overseas TIGT Shareholders are entitled to participate in the Scheme. However, to the extent that the Company, and/or the Liquidators, acting reasonably, consider that any issue of New Shares to an Overseas TIGT Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or may violate any applicable legal or regulatory requirements or may require the Company to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Company and/or the Liquidators, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Overseas TIGT Shareholder is permitted to hold New Shares under any relevant securities laws or regulations of such overseas jurisdictions (or that the Company will not be subject to any additional regulatory requirements to which it would not be subject but for such issue), such Overseas TIGT Shareholder will be deemed to have elected for the Cash Option in respect of their entire holding of TIGT Shares.

Further details of the Scheme and the Issue are set out in Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

#### **2.4. Use of proceeds**

The New Shares will be issued to TIGT Shareholders who elect, or are deemed to elect, for the Rollover Option in consideration for the transfer of the Rollover Pool from TIGT to the Company. The Rollover Pool will consist of investments aligned with the Company's investment objective and policy as at the Effective Date, together with cash and cash equivalents. As noted above, the Company and TIGT hold a number of investments in common investments and so it is expected that a material proportion of the Rollover Pool will transfer *in specie*. Any cash in the Rollover Pool and any proceeds of the realisation of cash equivalents in the Rollover Pool will be used to acquire investments in accordance with the Company's investment objective and policy.

### **3. INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS**

The investment objective and investment policy of the Company as at the date of this Prospectus are set out in this paragraph 3.

#### ***Investment objective***

The Company's investment objective is to achieve rising income and long-term capital growth which it seeks to deliver for shareholders through investment in a balanced portfolio constructed from global equities.

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

The Company seeks to meet its objective by investing primarily in global equities. The majority of the Portfolio is invested in large capitalisation companies (market capitalisations over £1 billion). The resulting diversified portfolio of international quoted companies is focused, typically containing between 30 and 50 high conviction stocks selected on the basis of detailed research analysis. The equity portfolio consists of listed shares and is diversified across a range of holdings.

### **Investment restrictions**

As an investment trust, the Company aims to comply with section 1158 of the Corporation Tax Act, which imposes on the Company an obligation to spread investment risk. The Investment Manager has unconstrained discretion to select stocks except that:

- no more than 10 per cent. of the Company's gross assets may be invested in listed investment companies (including UK listed investment trusts);
- the Board must approve in advance all investments in investment schemes which are sponsored by the Investment Manager;
- the sum of all holdings over 5 per cent. of the total portfolio must not exceed 40 per cent. of the Portfolio;
- no more than 15 per cent. of the Company's total portfolio can be invested in collective investment schemes, of which no holding can exceed 10 per cent. of the value of the collective investment scheme; and
- warrants cannot exceed 5 per cent. of the Company's total portfolio.

The Company's exposure to listed equities is set within a range of 90 per cent. to 120 per cent. of Shareholders' Funds in normal circumstances.

In accordance with the Listing Rules, 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. As noted above, the Company's investment policy and investment objective will not be amended in connection with the Proposals.

## **4. DIVIDEND POLICY**

The Company's dividend policy is to provide Shareholders with a regular income paid quarterly in April, July, October and January each year by way of interim dividends. The Company does not have any formal policy to achieve any specified level of dividend. The Company conducts its business so as to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the Investment Trust Tax Regulations, the Company does not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period and seeks to distribute at least the minimum amount required to maintain investment trust status. The Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

The Company paid dividends totalling 6.20 pence per Share in respect of the financial year to 31 March 2023. This equated to a dividend yield of 2.90 per cent. based on a year-end closing price of 214.00 pence per STS Share. As at the date of this Prospectus, the Company had paid two interim dividends in respect of the financial year to 31 March 2024, each of 1.525 pence per Share, and had declared a third interim dividend in respect of the financial year to 31 March 2024 of 1.965 pence per Share (which is expected to be paid on 19 April 2024 to Shareholders on the Register as at close of business on 15 March 2024) (the "**STS Third Quarterly Interim Dividend**"). Typically, the Company pays a larger interim dividend in July each year. In the light of the Scheme, for the current financial year the Board has decided to instead pay the larger interim dividend in April 2024. TIGT Shareholders receiving New Shares in connection with the Scheme will not be entitled to receive the STS Third Quarterly Interim Dividend in respect of their New Shares. However, such TIGT Shareholders will be entitled to participate in any dividends declared by the Company with a record date after the date of the issue of New Shares to them.

## **5. GEARING**

The Board is responsible for setting the Company's gearing policy and for the limits on gearing.

As an investment trust, the Company is able to finance part of its operations through bank borrowings. The Board monitors such borrowings closely and takes a prudent approach. Gearing levels are discussed by the Board and Investment Manager regularly and reviewed at Board meetings. Gearing is limited to 20 per cent. of Shareholders' Funds.



The Company's gross gearing as at 20 February 2024 was 7.6 per cent. (being the Company's total gross debt as a proportion of its Shareholders' Funds). It is the current intention of the Board to maintain STS's gearing at approximately the same level following the implementation of the Scheme.

The Company may, from time to time, match specific overseas investment with foreign currency borrowings.

### **Revolving Credit Facility**

The Company entered into a multicurrency revolving credit facilities agreement with the Royal Bank of Scotland International Limited, London Branch ("**RBSI**") originally dated 19 September 2016, as amended or amended and restated from time to time and most recently on 19 September 2023 (the "**Revolving Credit Facilities Agreement**"). Pursuant to the Revolving Credit Facilities Agreement, RBSI made available to the Company a revolving credit facility of up to £20 million (the "**Revolving Credit Facility**") with the option for the Revolving Credit Facility to be increased (with the consent of RBSI) by a further £5 million up to £25 million. The termination date of the Revolving Credit Facility is 19 September 2026.

As at 20 February 2024, approximately £15.46 million was drawn down under the Revolving Credit Facility in the following tranches: £1.5 million; €4.5 million; and US\$12.75 million.

Further information relating to the terms of the Revolving Credit Facilities Agreement is set out in paragraph 11.7 of Part 7 (*General Information*) of this Prospectus.

## **6. DERIVATIVES**

The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, for the purpose of managing currency and market risks arising from the Company's activities. The Company does not utilise derivatives currently but keeps this under review.

## **7. SHARE CAPITAL**

The Company's share capital comprises of only (i) redeemable ordinary shares with a nominal value of one penny each (the "**Shares**"), all of which are listed on the premium segment of the Official List and admitted to trading on the Main Market; and (ii) two restricted voting deferred shares of £1 each ("**Restricted Voting Deferred Shares**") that were redesignated as that class of share in May 2005 in connection with the Company's incorporation. Neil Donaldson and Andrew Irvine, who were both Directors of the Company from 2005 until July 2016 and July 2017 respectively, hold one Restricted Voting Deferred Share each.

Holders of Shares ("**Shareholders**") are entitled to such dividends (if any) as are declared by the Company and are entitled, on a return of capital on a winding up or otherwise, to all undistributed revenue of the Company and to the residual capital of the Company which remains after satisfying any liabilities. Holders of Restricted Voting Deferred Shares are entitled to an annual, non-cumulative dividend at a fixed rate of 1 per cent. of the share's nominal value and, on winding up, preferential payment of the nominal value of such shares. However, the Restricted Voting Deferred Shares carry no further rights to share in any residual surplus capital and assets on a winding up, and for so long as there are any other shares in the Company in issue they have no entitlement to vote at general meetings of the Company.

At the Annual General Meeting of the Company held on 20 September 2023 (the "**2023 AGM**"), Shareholders granted the Board authority to: (i) allot Shares representing approximately 33.33 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at 6 June 2023; and (ii) allot Shares representing approximately 20 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at 6 June 2023 on a non pre-emptive basis for cash. These authorities will expire on 30 September 2024 or, if earlier, the conclusion of the 2024 AGM. At the 2023 AGM, Shareholders also granted the Company the authority to buy back up to 14,766,435 Shares (representing approximately 14.99 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at 6 June 2023). This authority will expire on 20 December 2024 unless the authority is renewed at the Company's Annual General Meeting in 2024 or at any other general meeting prior to such time.

As at 20 February 2024 the Directors have general authority to allot 32,836,200 Shares and general authority to allot, on a non pre-emptive basis for cash, 24,459,800 Shares. As at 20 February 2024 the Company had remaining general authority to buy back 9,829,935 Shares. At the General Meeting, the Directors will seek Shareholder authority to renew the Company's authority to buy back Shares based on the issued Share capital of the Company at the time of the General Meeting and, due to the dilutive effect of the Issue, based on the enlarged Share capital of the Company following the implementation of the Proposals.

#### **7.1. Discount control mechanism**

As noted above, the Company has operated a DCM since November 2020 which aims to ensure, in normal market conditions, that the Shares trade consistently close to the prevailing NAV per Share. The Board, the Prospective Directors and the Investment Manager believe that the DCM provides the following benefits to Shareholders:

- the Company seeks to provide liquidity to Shareholders through the DCM by buying back Shares when there is excess supply in the market and issuing Shares when there is excess demand; and
- by controlling the supply of Shares in the event of an excess in the demand for or supply in Shares, the Company seeks to ensure that investors can purchase and sell Shares at a Share price close to the prevailing NAV per Share.

The DCM is operated by Juniper Partners on behalf of the Company pursuant to the Secretarial and Administration Agreement. Further information in relation to the Secretarial and Administration Agreement and the fee payable to Juniper Partners for operating the DCM is set out in paragraphs 2.2 of Part 3 (*Directors, Management and Administration of the Company*) and 11.3 of Part 7 (*General information*) of this Prospectus.

All Share repurchases pursuant to the DCM will be conducted in accordance with the Companies Act and the Listing Rules applicable to closed-ended investment funds from time to time and will be announced to the market through a RIS announcement on the same or following day.

Shares repurchased by the Company may be cancelled or held in treasury (or a combination of both). Any Shares held in treasury may be subsequently cancelled or sold for cash. The sale of Shares from treasury will be subject to the Companies Act and the provisions relating to rights of pre-emption contained therein to the extent not disappplied.

### **8. MARKETING STRATEGY**

The Company has adopted a marketing strategy with a view to increasing the profile of the Company. The strategy is implemented by the Company's third party service providers and this is reviewed by the Marketing and Communications Committee, chaired by Sarah Harvey.

The marketing strategy is implemented through active promotion of the Company and the Shares by the Investment Manager and Quill Communications Limited, the public relations firm engaged by the Company. The Company provides performance related information to Shareholders on its website, regularly produces other forms of materials including video content, and the Investment Manager meets with existing and potential institutional Shareholders. The Company's marketing strategy seeks to:

- increase demand for the Company's Shares;
- obtain ratings and buy recommendations; and
- grow the profile of the Company across the investment space.

### **9. NET ASSET VALUE CALCULATIONS AND VALUATION POLICY**

Under the Investment Management Agreement, the AIFM is responsible for calculating the Company's NAV per Share. The unaudited NAV per Share is calculated in Sterling on each dealing day (on a cum-income basis) by Juniper Partners and is announced by the Company Secretary on behalf of the Company through a RIS. Such RIS announcements confirm the Company's Net Asset Value with both debt at fair value and with debt at par, in each case on a cum-income and an ex-income basis. Unless otherwise disclosed in such RIS announcements, the Net Asset Value is calculated in accordance with

the recommendations of the AIC. In particular: (a) financial assets are valued on a fair value basis using bid prices, or, if more appropriate, a last trade basis; and (b) debt is valued at par and, where applicable, debt is also separately valued at fair value; (c) diluted net asset values are disclosed where applicable (for this purpose, treasury shares are excluded for the purposes of calculation); and (d) provisions for performance fees are included where applicable (although no performance fees are applicable to the Company).

The Board may determine that the Company should temporarily suspend the determination of the NAV per Share when the prices of any investments owned by the Company cannot be promptly, accurately or without undue expenditure, ascertained. Any suspension in the calculation of the NAV will be notified to Shareholders through a RIS as soon as practicable after such suspension occurs.

The Company may delay public disclosure of the net asset value to avoid prejudice to its legitimate interests, provided that such delay would not be likely to mislead the public and the Company has put in place appropriate measures to ensure confidentiality of that information.

For the purposes of valuing its investments, the Company uses UK GAAP methodology in accordance with FRS 102. All investments have been designated upon initial recognition at fair value through profit or loss. For listed investments this is deemed to be bid market prices. Gains and losses arising from changes in fair value are included in the capital return for the year. All other financial assets and liabilities are recognised in the financial statements at amortised cost.

## **10. MEETINGS, REPORTS AND ACCOUNTS**

The Company held its last AGM on 20 September 2023. The Company expects to hold an AGM in June 2024 and around July each year thereafter. The annual report and audited financial statements of the Company are made up to 31 March in each year and copies are usually sent to Shareholders within three months of the Company's financial year-end. The Company also publishes interim reports and unaudited interim condensed financial statements covering the half-yearly financial period to 30 September each year, which are usually despatched within three months of that date.

The Company's financial statements are prepared in Sterling and in accordance with FRS 102. The Company's annual report and audited financial statements for the period from 1 April 2022 to 31 March 2023 were published on 8 June 2023 and are available on the Company's website. Information on performance, Portfolio holdings and investment activity is also prepared by the Investment Manager and published monthly by the Investment Manager in the form of a factsheet made available on the Company's website. For the avoidance of doubt, such website and its contents are not incorporated by reference into this Prospectus. The Company's next annual report and audited financial statements will be prepared to 31 March 2024.

Any ongoing disclosures required to be made to Shareholders pursuant to the UK AIFMD Laws and the EU AIFM Directive (where applicable) are 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.

## **11. TAXATION**

The Company has been approved by HMRC as an investment trust. The Directors believe that the affairs of the Company have been conducted so as to continue to satisfy the conditions to qualify as an investment trust under section 1158 of the Corporation Tax Act and, on this basis, the Company should therefore be exempt from UK taxation on its capital gains in its Portfolio. The Company will be liable to UK corporation tax on its income in the normal way, with dividend income generally being exempt from UK corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates but double taxation relief may be available.

**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 6 (*UK Taxation*) 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.**

## **12. UK MAR AND THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES**

As a company whose shares are admitted to trading on the Main Market, the Company complies 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 2

### MARKET OUTLOOK, INVESTMENT STRATEGY AND INVESTMENT PORTFOLIO

#### 1. MARKET OUTLOOK

Troy believes that global equity markets delivered a surprisingly strong return in 2023 given the challenging economic and market backdrop. Several commentators have concluded that a strong fiscal response to the COVID-19 pandemic in 2020, at a time when economies were “shut down”, led to a very strong inflationary pulse through the global economy and that, subsequently, a dramatic rise in interest rates was deemed necessary to combat this problem. Troy believes that this led to the yield on long-term government bonds being below that of short-term bonds, resulting in an inverted yield curve in 2022. Troy notes that this is commonly considered to be a precursor to an economic slowdown or a recession but the lag before such a slowdown occurring can be long and variable.

Troy believes that equity markets, having seen material weakness in 2022, reflecting such concerns, staged a strong rally in late 2023 as investors observed surprising economic resilience, notably in the US, as well as, latterly, a peak in inflation and interest rate expectations. Troy believes that equities therefore benefited from both a reassessment of the likely trajectory of earnings and declining interest rates to the benefit of valuations.

Troy believes that such optimism may prove premature: what appears to be an environment of low inflation and robust economic growth (reminiscent of so-called “goldilocks” whereby growth is seen as neither too hot – which would require further interest rate rises – nor too cold – which would be negative for earnings expectations) is more likely an interim period before the effect of the steep rise in interest rates we have seen work its way through the global economy.

Troy believes that global economies, therefore, likely face an economic slowdown at a time when equity markets, on certain long-term valuation measures, trade at levels that are towards the top end of historic ranges. By way of example, Troy notes that the S&P 500 cyclically adjusted price-to-earnings ratio remains at 33.4 as at 1 February 2024, a level only observed a few times in history.

Troy believes that it has a distinctive investment approach, which seeks to protect and grow investors capital by targeting superior risk adjusted returns. Given Troy’s concerns regarding the macro-economic backdrop, Troy has aimed to position the Portfolio so as to be concentrated in businesses and sectors that Troy believes will be robust in a more challenging environment. Troy has also identified competitive advantages in these businesses and Troy expects that these advantages will enable the companies to generate attractive returns on invested capital as well as cope with a higher inflationary environment, should it persist. Furthermore, Troy has identified a number of businesses in which Troy is ready to invest except that they are, in Troy’s opinion, currently too expensive for the relatively uncertain market outlook. Troy would hope to be able to take advantage of these investment opportunities, when the opportunity to invest at the right price arises, with the assets of the enlarged STS.

#### 2. INVESTMENT STRATEGY

The Directors are responsible for determining the Company’s investment objective and policy. As noted in paragraph 1 of Part 1 (*The Company*) of this Prospectus, the Company has appointed Juniper Partners as the Company’s alternative investment fund manager and it provides overall portfolio and risk management services to the Company. Juniper Partners has delegated portfolio management services to Troy.

Troy aims to build portfolios of high quality, resilient businesses and allow them to compound over the long-term. For STS, Troy is driven to find the optimum balance of quality, income and growth for the Portfolio, so while the Portfolio has relatively low levels of turnover, opportunities to increase the quality or growth of the portfolio without diminishing the income profile will inform capital allocation decisions.

Generally, Troy seeks to invest in companies with high returns on capital deployed, which tend to reside in branded consumer goods, healthcare and information technology sectors, and avoids businesses which Troy views as involving high levels of capital intensity or a lot of cyclicality, which can be seen in sectors such as bulk chemicals, telecommunications and retail sectors.

Higher interest rates and rising political tension may be a precursor to a period of weaker economic growth which may result in weaker equity markets. The Portfolio is designed to comprise a group of carefully chosen companies that have strong and defensible operating margins, pricing power and in particular strong balance sheets supported by robust free cash flow. Troy expects that these attributes should stand the Company in good stead in the current uncertain world.

Gearing is used to leverage the Company's Portfolio in order to enhance returns when this is considered appropriate to do so. The Board aims to ensure the Company's gearing is maintained at a conservative and manageable level in the context of the Company's gearing restrictions. As noted above, STS's gearing is limited to 20 per cent. of Shareholders' Funds. As at 20 February 2024, the Company's gross gearing was 7.6 per cent.

### 3. THE COMPANY'S PERFORMANCE TRACK RECORD

In pursuit of the Company's investment objective, the Company's investment performance (on a total return basis) is measured against the Benchmark Index for comparison purposes. The Lipper Global – Equity Global Income Index was adopted as the Company's benchmark index with effect from 12 November 2020, being the date of Troy's appointment as the Investment Manager.

Since Troy's appointment on 12 November 2020 to 20 February 2024, the Company's NAV total return per Share (with debt at fair value) increased by 22.3 per cent., which can be compared against the Benchmark Index which rose by 28.5 per cent. over the same period. The Share price total return per Share increased over the same period by 22.8 per cent. and the Shares ended the period trading at a discount of 1.4 per cent. to the NAV per Share (with debt at fair value) as at 20 February 2024.

Since 30 September 2023 to 20 February 2024, the Company's NAV total return per Share (with debt at fair value) increased by 5.2 per cent., which can be compared against the Benchmark Index which rose by 6.7 per cent. over the same period. The Share price total return per Share increased over the same period by 4.0 per cent.

The table below sets out the Company's annualised performance relative to the Benchmark Index over the ten year period to 20 February 2024 as well as the Company's annualised performance relative to the Benchmark Index since Troy's appointment as the Company's investment manager.

#### ***The Company's performance track record (cumulative return, all measured to 20 February 2024)***

	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since Troy's appointment on 12 November 2020 (%)
NAV total return (with debt at fair value)	3.6	28.7	47.9	124.7	22.3
Share price total return	4.4	27.1	54.6	118.6	22.8
Benchmark Index total return	3.8	23.4	38.3	108.7	28.5

Source: Refinitiv. Data to 20 February 2024 (being the latest practicable date for this data). Total return calculations assume dividend reinvestment as at the ex-dividend date. All figures are unaudited. Past performance is not a reliable indicator of future results.

The Board monitors performance continuously and closely with the Investment Manager in order to understand the drivers behind relative performance (both underperformance and outperformance) and actions being taken by the Investment Manager in the light of that.

#### 4. THE COMPANY'S PORTFOLIO

As at close of business on 20 February 2024, the Portfolio comprised investments and cash with an aggregate unaudited value, calculated in accordance with the Company's usual accounting policies, of approximately £218,454,000. The unaudited NAV as at this date was approximately £202,944,000.

The Portfolio, excluding cash, was 100 per cent. invested in quoted equities as at 20 February 2024. The following table shows the distribution of the Portfolio by asset class as at 20 February 2024.

<b>Asset class</b>	<b>Percentage of gross assets (%)</b>
Equity investments	99.8
Cash	0.2
<b>Total</b>	<b>100.0</b>

The following table shows the distribution of the Portfolio by region (as a percentage of gross assets excluding cash) as at 20 February 2024.

<b>Asset class</b>	<b>Percentage of gross assets ex. cash (%)</b>
North America	50.9
UK	31.9
Europe ex UK	10.8
Japan	4.2
Asia Pacific ex Japan	2.2
<b>Total</b>	<b>100.0</b>

The following table shows the distribution of the Portfolio by sector (as a percentage of gross assets excluding cash) as at 20 February 2024.

<b>Asset class</b>	<b>Percentage of gross assets ex. cash (%)</b>
Consumer Staples	36.6
Industrials	18.4
Health Care	11.9
Information Technology	10.9
Consumer Discretionary	7.9
Financials	7.9
Communication Services	4.2
Real Estate	2.2
<b>Total</b>	<b>100.0</b>

The following table shows the Company's top ten investments (as a percentage of gross assets excluding cash) as at 20 February 2024.

Company Name	Country	Sector	Percentage of gross assets ex. cash (%)
Paychex Inc	United States of America	Industrials	5.5
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples	5.5
Unilever PLC	United Kingdom	Consumer Staples	5.0
CME Group Inc Class A	United States of America	Financials	4.8
Automatic Data Processing Inc	United States of America	Industrials	4.4
British American Tobacco PLC	United Kingdom	Consumer Staples	4.4
PepsiCo Inc	United States of America	Consumer Staples	4.4
Relx	United Kingdom	Industrials	4.3
Microsoft Corp	United States of America	Information Technology	4.3
Nintendo	Japan	Communication services	4.3
<b>Total</b>			<b>46.8</b>

The information in this paragraph 4 is unaudited information on the Company, which has been extracted from the internal management accounting records held by the Company.

The Enlarged Company's portfolio will, following the Scheme becoming effective, constitute a combination of the Company's Portfolio and the investments and cash apportioned to the Rollover Pool that will transfer to the Company pursuant to the Transfer Agreement. The investments in the Rollover Pool will include only those aligned with the Company's investment policy as at the Effective Date, including cash and cash equivalents. The assets within the Rollover Pool, and hence the Enlarged Company's portfolio, are not known at the date of this Prospectus.

## 5. ESG POLICY

The Board continues to recognise the importance of considering environmental, social, and governance ("ESG") factors when making investment decisions and in the ongoing stewardship of investee companies and is supportive of Troy's approach to responsible investing, which fully integrates ESG analysis into the fundamental research and investment process.

The materiality of environmental and social factors has increased over recent years as individuals and regulators have sought to differentiate between companies acting in a responsible and sustainable way and those which are not. Troy believes that companies with strong corporate governance and capable management teams will be better placed to navigate these changes and create long-term value for shareholders.

The availability of relevant non-financial information and data has improved, resulting in a commensurate increase in the Board's and Troy's focus on ESG factors. As such, the Company's duty to investors necessitates that analysis of material ESG risks and opportunities is integrated into the investment process, which includes engagement with companies and voting at their annual general meetings. This is particularly relevant in relation to climate risk, which Troy believes to be both material and systemic.

Both the Board and Troy support the principles of the 2020 UK Stewardship Code, issued by the Financial Reporting Council. These principles typify a high standard of responsible investment and stewardship practices. Troy is a signatory to the UK Stewardship Code and a copy of Troy's Stewardship Report can be viewed at [www.taml.co.uk](http://www.taml.co.uk). Troy has also been a member of the United Nations' Principles for Responsible Investment since September 2016, further demonstrating its commitment to upholding responsible investment practices.



### ***Research process***

Troy's investment approach is conservative, with attention paid to the downside risk of any investment. Troy's responsible investment approach aims to ensure alignment with its investment objective. Central to this is an assessment of ESG-related risks and opportunities during the research process.

Troy may also seek to either mitigate the adverse impact or improve the positive impact of investments on the environment or society if doing so is aligned with improving those investments' risk and return profile. Troy would only do so if this does not run contrary to the investment objective of the Company. When ESG risks are assessed Troy tailors its analysis to the investee company, the individual business risk and opportunity.

Since materiality is dynamic, Troy does not seek to limit the categories that ESG encompasses. Rather, Troy's aim is to analyse the ESG factors that are material to each company. Troy does not employ a prescriptive checklist nor does it seek to acquire holdings solely on ESG grounds. Instead, the ESG risks and opportunities relevant to each company are qualitatively assessed.

### ***Climate change***

The extreme weather-related events of recent years reinforced the gravity with which climate-related calamities can impact entire economies, communities and the health and stability of financial markets.

The relatively low levels of turnover in the Portfolio and the potential for a changing climate to impact physical assets, supply chains and cause wide-spread systemic disruptions, heightens the need for effective climate change mitigation today to minimise the physical risks at a future date. Troy believes that the Portfolio's exposure to high-impact sectors (that is, sectors with a relatively higher carbon footprint) remains limited given Troy's investment bias towards capital-light and non-cyclical businesses. Troy assesses the transition strategies of all investee companies in order to limit exposure to unmanaged climate-related risks as the global economy transitions towards a lower carbon economy. The carbon footprint of the Company's Portfolio was 83 per cent. lower than the MSCI All Country World Index average (in terms of tonnes of carbon dioxide equivalent per million US dollars invested) as at 31 December 2023. This goes some way in managing the Portfolio's exposure to carbon-risk. However, Troy remains mindful of the fact that all businesses have a role to play in the decarbonisation transition and notes that as at 20 February 2024 almost all of the investee companies in the Portfolio have developed (or are developing) a net zero target.

## PART 3

### DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY

#### 1. DIRECTORS AND PROSPECTIVE DIRECTORS

##### 1.1. The Directors

The Board currently comprises six directors, all of whom are non-executive. The Directors are responsible for the determination of the investment policy of the Company and the overall supervision of the Company, including the review of the Company's investment activity and performance, and the control and supervision of the AIFM and the Investment Manager's activities in relation to the Company. The Company operates with an experienced non-executive Board of Directors, bringing investment and corporate skills and experience of closed-ended funds to their oversight roles. The Directors are as follows:

##### ***John Evans (Chairman)***

John has over 40 years of experience in the investment trust sector as both a manager and subsequently as a non-executive director. In 1990 John was one of the founders of Aberforth Partners LLP, a specialist investment management firm that invests in UK smaller quoted companies, generally on behalf of institutional investors. Following his retirement from Aberforth Partners LLP, John has been a director and chair of a number of investment trusts. In addition to being Chairman of the Board, John is currently chair of JP Morgan Mid Cap Investment Trust plc. John joined the Board in February 2016 and was appointed Chairman in November 2019.

##### ***Sarah Harvey***

Sarah has extensive experience in corporate strategy, product and technology, marketing and operations. Sarah has worked in general management roles for a variety of fast growing, international scale up businesses including Prodigy Finance Ltd, Square, Inc. and Tough Mudder, Inc. and now advises a number of mid-cap and scale up firms. Sarah's career began with Bain & Company, Inc. before working in strategy on a range of international projects for businesses and not for-profit organisations. Sarah was appointed to the Board in October 2018. Sarah acts as Senior Independent Director and chairs the Marketing and Communication Committee.

##### ***Mark Little***

Mark has an extensive knowledge of the investment industry, as the former managing director of Barclays Wealth Scotland and Northern Ireland. He held this position for eight years until 2013 when he retired. Prior to this, Mark held the position of global head of automotive research at Deutsche Bank A.G. where he managed and coordinated its global automotive research product. Mark is currently a non-executive director of Majedie Investments plc, BlackRock Smaller Companies Trust plc, abrdn Equity Income Trust plc and Fidelity Emerging Markets Limited. He also acts as a consultant to Lindsays LLP. Mark was appointed to the Board in October 2014 and chairs the Audit and Risk Committee.

Following nine years of service on the Board, Mark Little has advised the Company that he intends to retire from the Board at the 2024 AGM.

##### ***Angus Cockburn***

After six years as group chief financial officer of Serco Group plc, Angus stepped down from the Serco board in April 2021. He is a chartered accountant with considerable experience gained in a variety of sectors. Angus has an MBA from the IMD Business School in Switzerland, is an honorary professor at the University of Edinburgh and a member of the Institute of Chartered Accountants of Scotland. Prior to joining Serco Group plc in 2014, Angus held roles as chief financial officer and interim chief executive of Aggreko plc, managing director of Pringle of Scotland Limited and held senior finance positions at PepsiCo, Inc., including regional finance director for central Europe. Angus is currently senior independent director and chair of the audit committee of Ashtead Group plc, a non-executive director of The Edrington Group Limited and BAE Systems plc and chairman of James Fisher and Sons Limited. Angus was appointed to the Board in May 2021 and chairs the Management Engagement Committee.

Following his appointment as a non-executive director of BAE Systems plc, Angus Cockburn has informed the Company that he intends to step down from the Board at the Company's next AGM in 2024.

### ***Alexandra Innes***

Alexandra is a non-executive committee member at the Bank of England, a non-executive adviser and member of the group executive board at Knight Frank LLP, and a non-executive director of Dowlais Group Plc, Waverton Investment Management Group Ltd, Schroder Real Estate Investment Trust Ltd and the UCI Cycling World Championships Ltd, as well as being the senior independent director at Facilities by ADF plc. Alexandra's international executive career spanned investment banking, global capital markets, and investment management, latterly as managing director at Barclays plc, and prior to that as director of global markets at Bank of America Merrill Lynch. Alexandra is a fellow of Chapter Zero, holds an M.A. Hons. Economics from Cambridge University, is a Chartered Member of the CISI (MCSI), a Green and Sustainable Finance Professional, Chartered Banker Institute (CCBI GSFP), and holds the CFA Certificate in ESG Investing. Alexandra was appointed to the Board of the Company in April 2022 and chairs the Nomination and Remuneration Committee.

### ***Gillian Elcock***

Gillian has extensive asset management and investment research experience. She is the founder of Denny Ellison Enterprises Limited, an independent investment research and training company, and was its managing director for ten years. Prior to this, she worked as an equity research analyst for several years at Putnam Investments Limited and Insight Investment Management Limited. Gillian is a non-executive director of International Biotechnology Trust plc, Octopus Apollo VCT plc and Melrose Industries plc. She is also a member of the board of the CFA Society of the UK. Gillian holds an MBA from the Harvard Business School and MEng and BSc degrees from the Massachusetts Institute of Technology. She was appointed to the Board of the Company in September 2023.

## **1.2. Proposed changes to the Board**

It has been agreed as part of the Proposals that Bridget Guerin and Brigid Sutcliffe (the "**Prospective Directors**"), both of whom are currently TIGT Directors, will be appointed as non-executive Directors of the Company from the date of Admission. As such, the Board will then, initially, consist of eight Directors, comprising the six current Directors of the Company and two current TIGT Directors. It is expected that two current Directors, Angus Cockburn and Mark Little, will retire from the Board at the 2024 AGM, which is expected to be held in June 2024, and they will not stand for re-election. Therefore, subject to the Directors' re-elections and the Prospective Directors' elections being approved by Shareholders, following the 2024 AGM the Board will consist of four of the incumbent Directors and two of the current TIGT Directors.

Following the implementation of the Proposals, the current Chairman of the Company will continue in that role.

Each of the Prospective Directors is independent of the AIFM and the Investment Manager. As noted above, the Prospective Directors are as follows:

### ***Bridget Guerin***

Bridget was appointed as a TIGT Director and chair of the TIGT Board by TIGT Shareholders on 17 January 2023. Bridget has over 30 years of experience in the financial services industry. She has longstanding experience of sitting on the boards of investment/wealth management companies and funds, including London listed investment trusts. She is currently a non-executive director of Mobeus Income & Growth VCT plc and is the chair of Invesco Perpetual UK Smaller Companies Investment Trust plc, and has previously been on the board of Charles Stanley PLC and also held the position of chair of Schroder Income Growth Fund plc. Bridget has extensive knowledge of the distribution of investment products to the institutional and retail markets. Bridget has a detailed knowledge of the wealth management industry, financial advisory services and retail fund platforms. She has held senior positions as marketing director at Ivory & Sime plc and Schroder Investments Limited and was managing director of Matrix Money Management Limited. She is also chair of York Racecourse Limited and trustee of the York Racecourse Pension Fund.

## **Brigid Sutcliffe**

Brigid was appointed a TIGT Director on 1 August 2021 and became chair of the audit committee of the TIGT Board on 19 January 2022. She is also the audit chair and non-executive director of Strategic Equity Capital plc, a member of the finance committee of Newnham College, Cambridge and a trustee of Muscular Dystrophy Group of Great Britain and Northern Ireland. Brigid holds an MA in Economics from Cambridge University and an MBA from London Business School. She qualified as a chartered accountant with KPMG LLP in 1983 and spent thirty years working in investment banking and as a strategic change management consultant, advising companies across a wide range of sectors. Brigid has been a non-executive director for a variety of organisations in the public, private and third sectors over the past 19 years and has extensive audit committee chair experience.

## **2. MANAGERIAL, SECRETARIAL, ADMINISTRATION AND DEPOSITARY ARRANGEMENTS**

### **2.1. Managerial arrangements**

As noted in paragraph 1 of Part 1 (*The Company*) of this Prospectus, the Company is overseen by an independent Board of Directors. The Board has appointed Juniper Partners Limited (the “**AIFM**” or “**Juniper Partners**”) as the Company’s alternative investment fund manager for the purposes of the UK AIFMD Laws. The AIFM has formally sub-delegated day-to-day management of the Portfolio to Troy Asset Management Limited (the “**Investment Manager**” or “**Troy**”).

#### ***The AIFM***

Juniper Partners is a limited liability company, incorporated and registered in Scotland on 8 October 2009 with registered number SC366565. The registered office of the AIFM is at 28 Walker Street, Edinburgh EH3 7HR. The LEI of the AIFM is 213800W3GQ3TM31EPJ57. The AIFM is authorised and regulated by the FCA. The AIFM is registered under the UK AIFMD Laws as a full scope authorised UK AIFM and under the terms of the Investment Management Agreement has acted as the Company’s alternative investment fund manager since 12 November 2020.

The Company entered into the Investment Management Agreement with the AIFM on 16 September 2020 and this came into force on 12 November 2020. Under the terms of the Investment Management Agreement, the AIFM has been appointed by the Company with responsibility for the provision of discretionary portfolio and risk management services in accordance with the Company’s investment objective and policy, and subject to the overall supervision of the Directors and the investment guidelines laid down by the Board from time to time.

The Investment Management Agreement is terminable on not less than six months’ notice. The annual management fee payable to the AIFM by the Company is a fee of 0.015 per cent. of net assets, subject to a minimum annual fee (in respect of the financial year ending 31 March 2024) of £71,000 (the “**AIFM Fee**”), in each case exclusive of VAT. The AIFM Fee is payable monthly in arrears. In addition, an annual fee of £7,000 (in respect of the financial year ending 31 March 2024) is payable to the AIFM for its services in relation to the production of the Company’s key information document in accordance with the UK PRIIPs Laws (the “**PRIIPs Fee**”) (exclusive of VAT). The PRIIPs Fee is payable annually in arrears. The minimum value of each of the AIFM Fee and the PRIIPs Fee are adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March. In satisfaction of the services rendered by the AIFM pursuant to the Investment Management Agreement for the year ended 31 March 2023, the Company paid to the AIFM an AIFM Fee of £64,000 and a PRIIPs Fee of £7,000.

Further details of the terms of the Investment Management Agreement are set out in paragraph 11.1 of Part 7 (*General Information*) of this Prospectus.

#### ***The Investment Manager***

The Investment Manager (Troy) is a limited liability company, incorporated and registered in England and Wales on 22 February 2000 with registered number 03930846. The registered office of the Investment Manager is 33 Davies Street, London W1K 4BP. The LEI of the Investment Manager is 213800FEDHL6RMFRO951. The Investment Manager is authorised and regulated by the FCA. Under the terms of the Investment Management Delegation Agreement, Troy has acted as the Company’s investment manager since 12 November 2020.

Troy was established in 2000 and is an independent fund management company which seeks to protect and grow investors' capital by targeting superior risk adjusted returns. It aims to preserve and build investors' wealth by constructing conservative portfolios for the long-term. As at 31 January 2024, Troy had £12.65 billion of assets under management.

Since 2020, the Company has been managed by Troy's Global Equity Income team and its lead investment managers are James Harries and Tomasz Boniek, supported by 12 other investment team members. Short biographies in respect of both lead investment managers are set out below.

The Company entered into the Investment Management Delegation Agreement with the AIFM and the Investment Manager on 16 September 2020 and this came into force on 12 November 2020. Under the terms of the Investment Management Delegation Agreement, Troy manages the Portfolio and the Company's investments in accordance with the Company's investment objective and policy, and subject to the overall supervision of the Directors and the investment guidelines laid down by the Board from time to time.

The Investment Management Delegation Agreement is terminable on not less than six months' notice. Pursuant to the Investment Management Delegation Agreement between the AIFM, Troy and the Company, the AIFM has delegated the day-to-day management of the Company's portfolio to Troy. The annual management fee payable to Troy by the Company pursuant to the Investment Management Delegation Agreement is currently 0.65 per cent. of net assets up to £750 million, 0.55 per cent. of net assets between £750 million and £1 billion and 0.50 per cent. of net assets in excess of £1 billion. Such management fees are calculated and payable quarterly. As part of the Proposals, Troy has agreed that, subject to the implementation of the Scheme and with effect from the date of Admission, the annual management fees payable by the Enlarged Company to Troy under the Investment Management Delegation Agreement will be reduced to those currently payable to TIGT (the "**New Fee Arrangements**"). Therefore, under the New Fee Arrangements the annual management fee payable by the Company to the Investment Manager will be equal 0.55 per cent. of net assets up to and including £250 million and 0.50 per cent. of net assets in excess of £250 million.

Pursuant to the Investment Management Delegation Agreement, the Investment Manager has agreed to contribute annually to the fees payable by the Company to the AIFM for company secretarial and administrative services in any calendar year (the "**Ongoing Cost Contribution**"). The value of the Ongoing Cost Contribution is equal to the lower of (i) the aggregate fees payable to the AIFM by the Company for company secretarial and administrative services; and (ii) £150,000. However, as described further in paragraph 8.5. of Part 7 (*General Information*) of this Prospectus, as a result of a temporary waiver, there will be no Ongoing Cost Contribution in respect of the 12 month period ending on 31 October 2024 (and the AIFM is also making a corresponding reduction (of £150,000) to the fees it charges the Company for the provision of company secretarial and administrative services in respect of this period).

In satisfaction of the services rendered by the Investment Manager pursuant to the Investment Management Delegation Agreement for the year ended 31 March 2023, the Company paid to the Investment Manager a fee of approximately £1,444,000.

Further details of the terms of the Investment Management Delegation Agreement are set out in paragraph 11.2 of Part 7 (*General Information*) of this Prospectus.

### **Portfolio managers**

The Company's current lead investment managers are James Harries and Tomasz Boniek.

#### **James Harries**

James is the senior fund manager responsible for the Investment Manager's Global Income Strategy. James has 28 years' investment experience, and has managed Global Equity portfolios since 2005. James joined Troy in June 2016 to launch the Trojan Global Income Fund, which he manages, and is a co-manager of the Trojan Ethical Global Income Fund.

James was previously a fund manager at Newton Investment Management where he established and managed the Newton Global Income Fund (since renamed the BNY Mellon Global Income Fund).

During his tenure, the Newton Global Income Fund grew to be the largest fund in the Investment Association Global Equity Income sector, at £4.5 billion.

James graduated from Bristol University with a BSc in Politics, before completing his Masters in Finance at the London Business School. He holds the ASIP qualification and is an Associate Member of the CFA Society of the UK.

### ***Tomasz Boniek***

Tomasz is a co-manager of the Trojan Ethical Global Income Fund, Assistant Fund Manager of the Trojan Global Income Fund and has responsibility for the analysis of global companies and their selection for portfolios managed by Troy.

Tomasz joined Troy in 2017 from Susa Fund Management, a European equity fund and has 10 years' investment experience. He previously worked as an Associate at Bain Capital Credit. Tomasz graduated in European Economics from the University of Rome, before completing his Masters in Economics at Bocconi University, and his MBA at London Business School.

## **2.2. Corporate secretarial and administration arrangements**

Corporate secretarial and general administration services are provided by the AIFM pursuant to the Secretarial and Administration Agreement. The Company entered into the Secretarial and Administration Agreement with the AIFM on 16 September 2020 and this came into force on 12 November 2020. In consideration for the performance of these services the AIFM is entitled to an annual fee of £100,000 plus an amount equal to the aggregate of: (i) 0.1 per cent. of net assets between £50 million and £100 million; (ii) 0.03 per cent. of net assets between £100 million and £250 million; (iii) 0.2 per cent. of net assets between £250 million and £1 billion; and (iv) 0.01 per cent. of net assets in excess of £1 billion.

As further described in paragraph 7.1 of Part 1 (*The Company*) of this Prospectus, the Company's DCM is also operated by the AIFM pursuant to the Secretarial and Administration Agreement. In consideration for such services, the Company will pay the AIFM a fee equal to, at the Company's election, either:

- 2.2.1. £94,000 per annum (adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March); or
- 2.2.2. the aggregate of £35,000 per annum (adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March) plus the lower of: (i) a charge of £250 per transaction undertaken in accordance with the DCM; or (ii) a commission of 0.1 per cent. of the aggregate proceeds of any Share issues or buybacks by the Company in the period (excluding any corporate action undertaken by the Company not within the scope of the DCM).

In respect of the financial year ending on 31 March 2024 the Company has elected to calculate Juniper Partners' fees for operating the DCM using the methodology set in paragraph 2.2.2 above. As noted above, in the ordinary course Troy makes the Ongoing Cost Contribution in respect of the fees payable by the Company to the AIFM for company secretarial and administration services. In satisfaction of the services rendered by the AIFM pursuant to the Secretarial and Administration Agreement for the year ended 31 March 2023, the Company paid to the AIFM fees of £85,000 (after deduction of the Ongoing Cost Contribution).

The Secretarial and Administration Agreement is terminable by either party on not less than six months' notice. Further information in relation to the Secretarial and Administration Agreement is set out in paragraph 11.3 of Part 7 (*General information*) of this Prospectus.

## **2.3. Depositary and Custodian**

J.P. Morgan Europe Limited (the "**Depositary**") has been appointed as the depositary of the Company pursuant to the Depositary Agreement with the Company and the AIFM. The Depositary is a limited liability company, incorporated and registered in England and Wales on 18 September 1968 with registered number 00938937. The Depositary's responsibilities include cash monitoring, safekeeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets, and

monitoring the Company's compliance with investment limits and leverage requirements. The Depositary and its delegates also undertake the function of custodian in respect of the Company. The Depositary has delegated the provision of custodian services to JPMorgan Chase Bank, N.A., London Branch (the "**Custodian**") pursuant to the Global Custody Agreement. The Depositary has reserved the right to add, replace or remove the Custodian or another custodial delegate.

The annual fee payable to the Depositary for the services provided under the Depositary Agreement is set out in the Depositary and Custodian Fee Agreement. The Depositary is entitled to an annual fee equal to 0.0125 per cent. of the Company's Net Asset Value up to and including £500 million and 0.0075 per cent. of the Company's Net Asset Value in excess of £500 million, subject to a minimum annual fee of £25,000 per annum. Such fees are calculated and payable monthly in arrears. In satisfaction of the services rendered by the Depositary pursuant to the Depositary Agreement for the year ended 31 March 2023, the Company paid to the Depositary a fee of approximately £27,000.

Pursuant to the terms of the Global Custody Agreement (as supplemented by the Depositary and Custodian Fee Agreement), the Custodian is entitled to safekeeping fees and transaction fees which vary according to the value and location of the Company's assets, and the number and jurisdiction of transactions entered into, respectively, subject to a minimum fee of £15,000 per annum for its role as the Company's custodian. In satisfaction of the services rendered by the Custodian pursuant to the Global Custody Agreement for the year ended 31 March 2023, the Company paid to the Depositary a fee of approximately £15,000.

Summaries of the Depositary Agreement and the Global Custody Agreement are set out in paragraphs 11.4 and 11.5 of Part 7 (*General Information*) of this Prospectus, respectively.

#### **2.4. Registrar**

Link Market Services Limited (the "**Registrar**") has been appointed as the Company's registrar pursuant to the Registrar Agreement. Under the Registrar Agreement the Registrar is entitled to an annual fixed fee of £54,000 (exclusive of VAT) plus a variable element based on the relevant registrar service. In satisfaction of the services rendered by the Registrar pursuant to the Registrar Agreement for the year ended 31 March 2023, the Company paid to the Registrar a fee of £70,000. The Registrar is responsible for, amongst other things, the maintenance of the Register and for the transfer and settlement of Shares, as applicable.

A summary of the Registrar Agreement is set out in paragraph 11.6 of this Part 7 (*General Information*) of this Prospectus.

#### **2.5. Auditor**

The statutory auditor to the Company is Ernst & Young LLP of 1 More London Place, London SE1 2AF (the "**Auditor**" or "**EY**"). EY 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. EY'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. EY was first appointed as auditor of the Company following a competitive tender process at the Company's AGM held on 19 September 2018 and has been re-appointed as auditor at each of the Company's AGMs since that date. The Company's audited annual financial statements are prepared under UK GAAP in accordance with FRS 102.

### **3. CORPORATE GOVERNANCE**

The Board and the Prospective Directors are committed to achieving and demonstrating high standards of corporate governance. The Board places, and the Prospective Directors will place, considerable emphasis on running the Company in a way it believes is best suited to the successful management of an investment trust on behalf of its Shareholders. In doing so, the Board has considered the principles and recommendations of the AIC Code. The AIC Code addresses all of the principles set out in the UK Corporate Governance Code 2018, as well as setting out additional principles and recommendations which are of specific relevance to investment companies. The Company is a member of the AIC and the Company reports against the AIC Code.

The Board and the Prospective Directors consider reporting against the principles and provisions of the AIC Code to provide more relevant information to Shareholders than if it had adopted the UK Corporate Governance Code 2018. In particular, the Board considers the provisions of the UK Corporate Governance Code 2018 in relation to the role of the chief executive, executive directors' remuneration and the need for an internal audit function to be inapplicable to the Company given it is an externally managed investment trust.

Instead of establishing a separate remuneration committee, the Board has established a combined Nominations and Remuneration Committee. Given that the Company has a simple remuneration structure (with a Board comprised of independent non-executive Directors who are not entitled to executive remuneration packages including bonuses and long-term incentive schemes), the Board considers it sufficient to operate by way of a combined Nominations and Remuneration Committee.

The Board and the Prospective Directors note that the AIC Code may be updated in the light of the recently published UK Corporate Governance Code 2024 (which will replace the UK Corporate Governance Code 2018 for financial years beginning on or after 1 January 2025). As the Company aims to comply with the AIC Code, the Board and the Prospective Directors will take any revised recommendations of the AIC Code into consideration once known.

### **3.1. Board independence, composition and tenure**

The Chairman, each of the other Directors and each of the Prospective Directors is independent of the AIFM and the Investment Manager and each Director is, and each Prospective Director will be, non-executive. The executive responsibilities for investment management have been delegated to the AIFM. The AIFM has delegated day-to-day management of the Portfolio to the Investment Manager. Sarah Harvey is the Senior Independent Director.

Each Director is, and each Prospective Director will be, subject to the election/re-election provisions as set out in the Articles. Under the Articles, the Directors are required to retire by rotation (as determined by the length of time since their respective election or re-election at a general meeting of the Company) or upon three years having passed since their election or re-election at a general meeting of the Company. Any such retiring Director may stand for re-election. Notwithstanding the provisions of the Articles, the Company's policy is that each Director is subject to annual re-election in accordance with the provisions of the AIC Code. The Board believes that it is appropriate for a Director to serve up to nine years following their initial election and it is expected that Directors will stand down from the Board after that time.

As noted above, Mark Little and Angus Cockburn intend to retire at the 2024 AGM, which is expected to be held in June 2024, and they will not stand for re-election. When making a recommendation for re-electing a Director, the Board will take into account the ongoing requirements of the AIC Code.

The AIC Code provides that the Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors, and the Board therefore conducts an annual evaluation of its performance and that of its committees, the Chairman and individual Directors.

Directors' fees are considered by the Board as a whole within the limits as set out in the Articles and in accordance with the Company's remuneration policy which has been approved by Shareholders. The cap on the aggregate annual remuneration payable to the Directors is currently £250,000 per annum. The level of the cap may be increased by Shareholder resolution from time to time and was most recently increased from the former cap set out in the Existing Articles (£200,000) to its current limit at the 2023 AGM. The Revised Articles, if approved by Shareholders at the General Meeting, will set out the current limit of Directors' fees. There are no performance conditions attaching to the remuneration of the Directors as the Board does not believe that this is appropriate for non-executive directors. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

It is expected that each of the Prospective Directors will, following their appointment, become a member of each committee listed below. Any changes to the composition or chairing of such committee will be determined as part of the annual nomination process.



### **3.2. Audit and Risk Committee**

The Audit and Risk Committee is chaired by Mark Little and comprises all of the Directors with the exception of John Evans, who can, upon invitation, attend meetings as an observer. The role of the Audit and Risk Committee is, broadly, to assist the Board in carrying out its responsibilities relating to the Company's accounting policies, internal controls, risk management and financial reporting functions. The Audit and Risk Committee also reviews the scope, results, cost effectiveness, independence and objectivity of the Company's external statutory auditors. The Audit and Risk Committee meets at least two, but typically three, times per year and its effectiveness is reviewed on an annual basis as part of the Board's performance evaluation process. At least once a year the Audit and Risk Committee meets with the external statutory Auditor without any representative of the AIFM or Investment Manager being present.

It is anticipated that, upon Mark's retirement from the Board at the 2024 AGM, the Audit and Risk Committee will be chaired by Brigid Sutcliffe.

### **3.3. Management Engagement Committee**

The Management Engagement Committee comprises all of the Directors and is chaired by Angus Cockburn. The Board considers each member of the Management Engagement Committee to be independent. The role of the Management Engagement Committee is to ensure that the AIFM and Investment Manager remain suitable to manage the Portfolio, that the management contracts are competitive and reasonable for Shareholders and that the Company maintains appropriate administrative and corporate secretarial support. To discharge its duties, the Management Engagement Committee meets at least once per year to consider: (i) the performance and suitability of the AIFM and the Investment Manager; (ii) the terms and conditions of the Investment Management Agreement, the Investment Management Delegation Agreement and the Secretarial and Administration Agreement, including fees; and (iii) the performance of the Company's other third-party service providers.

### **3.4. Marketing and Communications Committee**

The Marketing and Communications Committee comprises all of the Directors and is chaired by Sarah Harvey. The Marketing and Communications Committee meets at least twice per year. The responsibilities of the committee include, *inter alia*, reviewing the performance of the Investment Manager, and other third party service providers, in implementing the Company's marketing strategy. The Marketing and Communications Committee monitors the Company's communications with Shareholders as well as key performance indicators in relation to Shareholder engagement and agrees the distribution strategy with the Investment Manager.

### **3.5. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is chaired by Alexandra Innes and comprises all of the Directors. The Nomination and Remuneration Committee typically meets once per year and at such other times as may be required. The Nomination and Remuneration Committee seeks to ensure that the Board has an appropriate balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates for appointment when necessary. The Nomination and Remuneration Committee has written terms of reference which include: (i) Board and committee composition and performance evaluation; (ii) Board appointments; (iii) succession planning and (iv) consideration of the Directors' remuneration policy, which includes taking into account fees paid by investment companies of a similar size and nature and other comparable data. The Nomination and Remuneration Committee also considers whether Directors should be recommended for re-election by Shareholders.

### **3.6. Senior Independent Director**

The Company has appointed Sarah Harvey as Senior Independent Director. The Senior Independent Director provides a sounding board for the chairperson and serves as an intermediary for the other Directors, where necessary. The Senior Independent Director also takes responsibility for the annual appraisal of the Chairman.

## 4. FEES AND EXPENSES

### 4.1. Issue expenses

The fixed direct costs of the Proposals payable by STS are expected to be approximately £790,000 inclusive of VAT (which is assumed to be irrecoverable where applicable). Such costs are expected to be fully offset by the Troy Cost Contribution (as defined below). In the event that implementation of the Scheme does not proceed, each party will bear its own costs.

Troy has agreed to make a contribution to the costs of the Proposals by means of a reduction in the management fee payable by the Enlarged Company to Troy. This fee reduction will constitute a waiver of the management fee that would otherwise be payable by the Enlarged Company to Troy in respect of the assets transferred by TIGT to the Company pursuant to the Scheme for the first 18 months following the completion of the Scheme at the blended rate of the Enlarged Company's New Fee Arrangements (the "**Troy Cost Contribution**"). The financial value of the Troy Cost Contribution will first be credited to the STS FAV against the STS Direct Costs (which for these purposes are capped at £900,000 (inclusive of VAT)) and, in the event that the Troy Cost Contribution exceeds the STS Direct Costs, an amount equal to the difference between the Troy Cost Contribution and the STS Direct Costs will be credited to the TIGT FAV. Based on the net assets of TIGT and the Company as at 20 February 2024, and assuming there are no Dissenting TIGT Shareholders, it is currently estimated that the total value of the Troy Cost Contribution will be between £970,000 (if there is a 30 per cent. take up of the Cash Option) and £1.1 million (if there is a 20 per cent. take up of the Cash Option), which would fully offset the Company's fixed direct costs in relation to the Proposals.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

### 4.2. Ongoing expenses

In addition to the fees due to the AIFM, the Investment Manager, the Depositary and the Registrar referred to in paragraph 2 of this Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus, the Company will pay all other fees and expenses incurred in the operation of its business including, without limitation:

- Directors' fees and expenses (as described in paragraph 8.2 of Part 7 (*General information*) of this Prospectus);
- fees and expenses of the corporate broker and fees and expenses associated with legal, audit and other professional services;
- any borrowing costs;
- the ongoing costs of maintaining the listing of the Shares (where relevant) on the premium segment of the Official List and their continued admission to trading on the Main Market;
- NAV publication costs;
- Directors' and officers' insurance premiums;
- promotional expenses (including membership of any industry bodies, including the AIC, and promotional initiatives by the AIFM and the Investment Manager as approved by the Board); and
- costs of printing the Company's financial reports and posting them to Shareholders.

The Company's total ongoing charges ratio for the financial year ended 31 March 2023 was 0.94 per cent. Based on the illustrative calculations as set out in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus, the Enlarged Company's ongoing charges ratio (which includes Troy's management fees and Juniper Partners' fees for company secretarial and administrative services but excludes brokerage and other transaction charges and taxes, and any borrowing costs) is estimated, in the first year following the Effective Date, to be approximately 0.74 per cent. per annum of the Enlarged Company's estimated NAV. Based on the same assumptions, the Enlarged Company's total fixed operational costs (which excludes Troy's management fees, Juniper Partners' fees for company secretarial and administrative services, brokerage and other transaction charges and taxes, and any borrowing costs) are estimated, in the first year following the Effective Date, to amount to not more than approximately 0.18 per cent. per annum of the Enlarged Company's estimated NAV.

Shareholders do not bear any fees, charges or expenses directly, other than any fees, charges or expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling Shares.

#### **4.3. Allocation of ongoing costs**

Interest expenses will be recognised within “finance costs” in the income statement within the Company’s financial statements using the effective interest rate method. The Company charges 65 per cent. of finance costs and management fees payable to the Investment Manager pursuant to the Investment Management Delegation Agreement to capital and 35 per cent. to income. All other expenses will be recognised in the income statement in the period in which they are incurred (on an accruals basis).

### **5. CONFLICTS OF INTEREST**

The AIFM and the Investment Manager and their respective officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company.

In addition, the AIFM and the Investment Manager may provide investment management, investment advice or other services in relation to a number of funds and/or investment companies that may have similar investment policies to that of the Company, including TIGT. However, the Investment Manager has agreed, pursuant to the Investment Management Delegation Agreement, not to advise or manage any other closed-ended investment company which is also a member of the AIC Global Equity Income Sector without the prior written consent of the Board.

As the AIFM’s fees are based on a percentage of the Company’s net assets and the AIFM is responsible for valuing the Portfolio under the Investment Management Agreement, there is the potential for conflict in any valuations it proposes in relation to the Company’s investments. However, the Company’s Portfolio is comprised predominantly of listed securities in respect of which there is ordinarily little or no judgement as to valuation. Where there is any element of judgement by the AIFM or its affiliates as to valuation, this conflict is managed through the use of independent sources to value assets where possible and through Board review and approval of valuations.

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

The AIFM and the Investment Manager have each established internal control frameworks to provide reasonable assurances as to the effectiveness of the internal control systems operated on behalf of their respective clients. The AIFM and Investment Manager both report to the Board on a regular basis with regard to the operation of their respective internal controls and risk management within their respective operations in so far as it impacts the Company.

## PART 4

### DETAILS OF THE SCHEME AND THE ISSUE

#### 1. INTRODUCTION

The Issue is being undertaken pursuant to the proposed scheme of reconstruction and members' voluntary liquidation of TIGT under section 110 of the Insolvency Act (the "**Scheme**"), which the TIGT Board has resolved to recommend to the TIGT Shareholders. The Scheme involves TIGT being placed into members' voluntary liquidation and TIGT Shareholders receiving New Shares issued by the Company in exchange for the transfer to the Company of the Rollover Pool. TIGT Shareholders may alternatively elect to receive cash, in respect of some or all of their holding of TIGT Shares, under the terms of the Scheme. The Issue has not been underwritten.

The New Shares are only available to TIGT Shareholders who elect, or are deemed to elect, for the Rollover Option under the Scheme. The New Shares are not being offered to Existing Shareholders (save to the extent an Existing Shareholder is also a TIGT Shareholder) or to the public.

#### 2. DETAILS OF THE SCHEME

##### 2.1. Scheme overview

Subject to the passing of Resolution 1 to be proposed at the General Meeting (relating to the approval for the issue of New Shares in connection with the Scheme) and subject to the satisfaction of the other conditions of the Issue (details of which are set out in paragraph 4 of this Part 4), the Scheme will take effect on the Effective Date (which is expected to be on 27 March 2024).

The Scheme will be implemented in accordance with the terms of the Transfer Agreement that will be entered into by the Company, TIGT and the Liquidators. The Transfer Agreement provides for the Rollover Pool to be transferred to the Company in consideration for the issue of New Shares to TIGT Shareholders who elect, or are deemed to elect, for the Rollover Option under the Scheme. Further details of the Transfer Agreement are provided in paragraph 11.10 of Part 7 (*General Information*) of this Prospectus. Any cash that is transferred in accordance with the terms of the Transfer Agreement will be invested by the Company in accordance with the Company's investment objective and policy.

Subject to the terms of the Scheme, each TIGT Shareholder on the TIGT Register on the Record Date may elect, or be deemed to elect, to receive:

- such number of New Shares as have a value (at the STS FAV per Share) equal to the TIGT FAV per Share attributable to the number of TIGT Shares so elected, being the "**Rollover Option**"; and/or
- an amount of cash equal to the Cash NAV per TIGT Share attributable to the number of TIGT Shares so elected, being the "**Cash Option**".

There is no limit on the number of TIGT Shares which may be elected for the Cash Option.

The default option under the Scheme is for TIGT Shareholders to receive New Shares, such that TIGT Shareholders who, in respect of all or part of their holding of TIGT Shares, do not make a valid Election or who do not make an Election at all under the Scheme will be deemed to have elected for New Shares in respect of such holding. However, Overseas TIGT Shareholders should read paragraph 9 of this Part 4.

The issue of New Shares in connection with the Scheme will be effected on a formula asset value ("**FAV**") for FAV basis as at the Calculation Date. On the Calculation Date, or as soon as practicable thereafter, TIGT, in consultation with the Liquidators, shall procure the finalising of the division of TIGT's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:

- first, there shall be appropriated to the Liquidation Pool such of the undertaking, cash and other assets of TIGT estimated by the Liquidators (in consultation with the TIGT Directors) to be sufficient to meet the current and future, actual and contingent liabilities of TIGT, including (save to the extent that the same have already been deducted in calculating the total assets of TIGT) the costs of the Scheme to be borne by TIGT, the Liquidators' Retention and the entitlements of any Dissenting TIGT Shareholders. Further details of the Liquidation Pool are set out below; and

- second, there shall be appropriated to the Cash Pool and the Rollover Pool, in accordance with the Scheme, all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in respect of the Liquidation Pool, on the following basis:
  - there shall first be appropriated to the Cash Pool such proportion of the undertaking, cash and other assets as shall equal the Cash Pool NAV; and
  - there shall second be appropriated to the Rollover Pool the balance of the undertaking, cash and other assets of TIGT.

In advance of the transfer of the Rollover Pool, the TIGT Directors intend that TIGT and/or Troy (or their agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by TIGT in accordance with the Scheme and the Elections made or deemed to have been made thereunder so that, as far as practicable, TIGT will hold, in addition to assets destined to become the Cash Pool and the Liquidation Pool, investments suitable for transfer to the Company under the Transfer Agreement. The Rollover Pool will therefore consist of investments aligned with the Company's investment policy as at the Effective Date, cash and cash equivalents.

## 2.2. Liquidation Pool

On or following the Effective Date, the Liquidation Pool will be applied by TIGT (acting by the Liquidators) in discharging the liabilities of TIGT. Any remaining balance of the Liquidation Pool shall be distributed in cash by the Liquidators pursuant to the Scheme to all TIGT Shareholders (excluding any Dissenting TIGT Shareholders) who were on the TIGT Register on the Record Date in proportion to their respective holdings of TIGT Shares on the Record Date provided that if any such amount payable to any TIGT Shareholder is less than £5.00, it shall not be paid to the TIGT Shareholder but instead will be retained by the Liquidators to TIGT's Nominated Charity.

## 2.3. Cash Option

TIGT Shareholders that elect, or are deemed to have elected, for the Cash Option will receive cash equal to the Cash NAV per TIGT Share multiplied by the number of TIGT Shares they own and in respect of which they have validly elected, or are deemed to have elected, for the Cash Option. The Cash NAV per TIGT Share will be equal to the TIGT NAV (which excludes any provision for the costs of the Proposals or any costs of the Proposals already accrued in TIGT's net asset value as at the Calculation Date) divided by the number of TIGT Shares in issue as at the Calculation Date (excluding TIGT Shares held in treasury) less a discount of 2 per cent. (the "**Cash Option Discount**"). The value arising from the application of the Cash Option Discount will be credited to the TIGT FAV for the benefit of the TIGT Shareholders that roll over their investment under the Scheme.

As noted above, there is no limit on the number of TIGT Shares which may be elected for the Cash Option.

## 2.4. Rollover Option

The number of New Shares to which each TIGT Shareholder who successfully elects, or is deemed to have elected, for the Rollover Option will be entitled will be calculated by dividing the TIGT FAV per Share by the STS FAV per Share and applying this ratio (which will be calculated to six decimal places, with 0.0000005 rounded down) to the number of TIGT Shares in respect of which such TIGT Shareholder has elected, or is deemed to have elected, for the Rollover Option.

The TIGT FAV will be equal to the Rollover Pool plus the benefit to TIGT (if any) of the Troy Cost Contribution and less the Acquisition Costs and Admission Fees. In the event the value of the Troy Cost Contribution exceeds the value of the STS Direct Costs (which for these purposes are subject to a cap of £900,000 (inclusive of VAT)), the TIGT FAV will be credited with the value of the difference. In the event the value of the Troy Cost Contribution is less than the value of the STS Direct Costs, the TIGT FAV will be adjusted downwards by the value of the difference between the STS Direct Costs and the Troy Cost Contribution (the "**TIGT FAV Adjustment**"), with such value being credited to the STS FAV.

The TIGT FAV per Share will be equal to the TIGT FAV divided by the number of TIGT Shares in issue (excluding any TIGT Shares held in treasury) (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down) (the "**TIGT FAV per Share**").

The STS FAV per Share will be calculated on the basis of the Company's NAV per Share as at the Calculation Date adjusted for:

- (a) any direct costs of the Proposals payable by the Company but not accrued in the Company's NAV as at the Calculation Date;
- (b) the benefit of the Troy Cost Contribution;
- (c) the value of the TIGT FAV Adjustment, if applicable; and
- (d) the declaration by the Company of any dividends which have a record date prior to the Effective Date,

(the "STS FAV per Share").

### 3. DETAILS OF THE ISSUE

The New Shares are redeemable ordinary shares, denominated in pounds Sterling, in the Company and will be issued on a non pre-emptive basis and rank equally in all respects with the existing issued Shares (other than in respect of any dividends which have a record date prior to the Effective Date). For the avoidance of doubt, TIGT Shareholders receiving New Shares under the Scheme will not, in respect of those New Shares, be entitled to the STS Third Quarterly Interim Dividend payable by the Company in respect of the financial year ended 31 March 2024.

The number of New Shares to be issued under the Scheme is not known as at the date of this Prospectus as it will be calculated in accordance with the formula stated above as at the Calculation Date and will depend on the Elections made under the Scheme. The number of New Shares to be issued will be announced through a RIS announcement on the Effective Date. The Issue is not being underwritten.

**For illustrative purposes only**, as at 20 February 2024, TIGT's and the Company's respective share price and net asset value per share were (subject to the adjustments set out below) as follows:

	TIGT <sup>(1)</sup>	STS <sup>(1)</sup>
Share price (pence) <sup>(2)</sup>	70.10	222.54
Net asset value per share (pence) <sup>(3)</sup>	73.56	225.66

**For illustrative purposes only**, had the Calculation Date been Market Close on 20 February 2024, and assuming there were no Dissenting TIGT Shareholders and 25 per cent. of TIGT's current issued share capital was elected, or deemed to be elected, for the Cash Option, TIGT's and the Company's respective FAV per share, and the Cash NAV per TIGT Share, would be (subject to the adjustments set out below) as follows:

	TIGT <sup>(1)</sup>	STS <sup>(1)</sup>
FAV per share (pence)	73.52 <sup>(4)</sup>	225.66 <sup>(5)</sup>
Cash NAV per TIGT Share (pence) <sup>(6)</sup>	72.09	N/A

Notes:

<sup>(1)</sup> All figures contained in these tables have calculated to two decimal places (with 0.005 rounded down). For the purposes of the Scheme (and the calculation of the illustrative exchange ratio below), the TIGT FAV per Share, STS FAV per Share and Cash NAV per TIGT Share are calculated to six decimal places (with 0.0000005 rounded down). All figures are unaudited.

<sup>(2)</sup> The closing mid-market price of a TIGT Share and a Share (as applicable) on 20 February 2024 adjusted on a pro forma basis for the deduction of the TIGT Final Interim Dividend (0.1 pence per TIGT Share) and the STS Third Quarterly Dividend (1.965 pence per Share), respectively.

<sup>(3)</sup> The NAV per TIGT Share and NAV per Share (as applicable) as at 20 February 2024 adjusted on a pro forma basis for the deduction of the TIGT Final Interim Dividend and the STS Third Quarterly Dividend, respectively.

<sup>(4)</sup> The TIGT FAV per Share, which includes an adjustment for the deduction of the TIGT Final Interim Dividend, TIGT's costs in connection with the Proposals (which include the Acquisition Costs and the Admission Fees) and the application of the benefit of the Cash Option Discount and the Troy Cost Contribution that would be due to TIGT on the basis of these assumptions.

<sup>(5)</sup> The STS FAV per Share, which includes an adjustment for the deduction of the STS Direct Costs and the STS Third Quarterly Interim Dividend, and the application of the benefit of the Troy Cost Contribution due to the Company.

<sup>(6)</sup> The Cash NAV per TIGT Share, which includes the application of the Cash Option Discount and an adjustment for the deduction of the TIGT Final Interim Dividend.

The Company will notify Shareholders of the results of the Scheme Elections and the Issue, including the calculations of the TIGT FAV per Share, the STS FAV per Share, the Cash NAV per TIGT Share and the number of New Shares to be issued under the Scheme, through a RIS as soon as reasonably practicable following the Calculation Date and prior to the Issue.

#### **4. CONDITIONS OF THE ISSUE**

The Issue is conditional on:

- the passing of the TIGT Resolutions to approve the Scheme and the winding up of TIGT at the TIGT General Meetings and the Scheme becoming unconditional in all respects (including the Transfer Agreement becoming unconditional in all respects);
- the passing of Resolution 1 (to approve the issue of the New Shares pursuant to the Scheme) and Resolution 1 becoming unconditional in all respects;
- the FCA agreeing to admit the New Shares to the Official List and the London Stock Exchange agreeing to admit the New Shares to trading on the Main Market, subject only to allotment; and
- the Directors and the TIGT Directors resolving to proceed with the Scheme.

Unless the conditions referred to above have been satisfied or, to the extent permitted, waived by both the Company and TIGT on or before 31 March 2024, no part of the Proposals will become effective and the New Shares will not be issued.

#### **5. DISSENTING TIGT SHAREHOLDERS**

Provided that a TIGT Shareholder does not vote in favour of the TIGT Resolutions to be proposed at the First TIGT General Meeting, such TIGT Shareholder may within seven days following the First TIGT General Meeting, express his or her dissent to the Liquidators in writing at TIGT's registered office and require the Liquidators to purchase the TIGT Shareholder's interest in TIGT. The Liquidators will offer to purchase the interests of the Dissenting TIGT Shareholders at the realisation value, this being an estimate of the amount a TIGT Shareholder would receive per TIGT Share in an ordinary winding up of TIGT if all of the assets of TIGT had to be realised and distributed to TIGT Shareholders after repayment of the liabilities of TIGT. The realisation value of a TIGT Share is expected to be below the unaudited cum-income NAV per TIGT Share and the Liquidators will not purchase the interests of Dissenting TIGT Shareholders until all other liabilities of TIGT have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation.

In order to purchase the interests of any Dissenting TIGT Shareholders, the TIGT Board, in consultation with the Liquidators, will appropriate an amount of the undertaking, cash and other assets of TIGT to the Liquidation Pool which it believes is sufficient to purchase the interests of such TIGT Shareholders. Save as otherwise provided in this paragraph 5, any TIGT Shares held by persons who validly exercise their rights to dissent under section 111(2) of the Insolvency Act shall be disregarded for the purposes of the Scheme and shall be treated as if those TIGT Shares were not in issue.

#### **6. DILUTION**

Unless they are also holders of TIGT Shares, Existing Shareholders are not able to participate in the Issue and will suffer a dilution to the percentage of the issued Share capital that their current holding represents based on the actual number of New Shares issued under the Scheme.

**For illustrative purposes only**, on the basis of the assumptions set out in paragraph 3 of this Part 4, the TIGT FAV per Share and STS FAV per Share that would have been produced would have resulted in, for the Rollover Option, a conversion ratio of approximately 0.33. In aggregate, approximately 56.8 million New Shares would have been issued to TIGT Shareholders receiving New Shares under the Scheme, representing approximately 38.9 per cent. of the issued ordinary share capital of the Enlarged Company immediately following completion of the Scheme (excluding Shares held in treasury). Based on the issued Share capital of the Company as at 20 February 2024, and assuming that: (i) an Existing Shareholder is not a TIGT Shareholder and is therefore not able to participate in the Issue; and (ii) there had been no change to the Company's issued Share capital or the number of

Shares held by the Existing Shareholder prior to Admission, an Existing Shareholder holding 1.0 per cent. of the Company's issued Share capital as at 20 February 2024 would then hold approximately 0.61 per cent. of the Company's issued Share capital immediately following Admission.

## **7. COSTS AND EXPENSES OF THE PROPOSALS**

Save as described below, the Company and TIGT have each agreed to bear their own costs in relation to the Proposals. The fixed direct costs of the Proposals payable by the Company are expected to be approximately £790,000 inclusive of VAT (which is assumed to be irrecoverable where applicable). Such costs are expected to be fully offset by the Troy Cost Contribution.

Any costs of realignment and/or realisation of the TIGT Portfolio will be borne by TIGT. The Acquisition Costs, being the anticipated costs of stamp duty, stamp duty reserve tax or other transaction tax for the acquisition of the Rollover Pool by the Company (but not, for the avoidance of doubt, any stamp duty, stamp duty reserve tax or investment costs incurred by the Company on the deployment of the cash therein upon receipt under the Scheme) will be borne by TIGT, together with the London Stock Exchange's Admission Fees. Such costs are not reflected in the estimate of costs above.

Troy has agreed to make a contribution to the costs of the Proposals by means of a reduction in the management fee payable by the Enlarged Company to Troy. This fee reduction will constitute a waiver of the management fee that would otherwise be payable by the Enlarged Company to Troy in respect of the assets transferred by TIGT to the Company pursuant to the Scheme for the first 18 months following the completion of the Scheme at the blended rate of the Enlarged Company's New Fee Arrangements (the "**Troy Cost Contribution**"). The financial value of the Troy Cost Contribution will first be credited to the STS FAV against the STS Direct Costs (which for these purposes are capped at £900,000 (inclusive of VAT)) and, in the event that the Troy Cost Contribution exceeds the STS Direct Costs, an amount equal to the difference between the Troy Cost Contribution and the STS Direct Costs will be credited to the TIGT FAV. Based on the net assets of TIGT and the Company as at 20 February 2024, and assuming there are no Dissenting TIGT Shareholders, it is currently estimated that the total value of the Troy Cost Contribution will be between £970,000 (if there is a 30 per cent. take up of the Cash Option) and £1.1 million (if there is a 20 per cent. take up of the Cash Option), which would fully offset the Company's fixed direct costs in relation to the Proposals.

In the event that implementation of the Scheme does not proceed, each party will bear its own costs.

No expenses will be charged directly to investors by the Company in connection with the Issue or Admission.

## **8. ADMISSION AND DEALINGS**

Applications will be made by the Company to the FCA and to the London Stock Exchange for the New Shares to be admitted to listing on the premium segment of the Official List and to trading on the Main Market, respectively. It is not intended that any class of shares in the Company be admitted to listing or trading in any other jurisdiction. If the Proposals become effective, it is expected that the New Shares will be admitted to the Official List, and dealings on the Main Market will commence, on 28 March 2024.

The ISIN of the New Shares will be GB00B09G3N23. The New Shares will be in registered form and may be held in either certificated or uncertificated form. TIGT Shareholders who elect, or are deemed to have elected, for the Rollover Option and who hold their relevant TIGT Shares in certificated form at the Record Date will receive their New Shares in certificated form and at their own risk. Temporary documents of title will not be issued. It is expected that certificates in respect of New Shares to be issued to the TIGT Shareholders entitled thereto will be despatched by no later than 10 Business Days from the Effective Date.

TIGT Shareholders who elect, or are deemed to have elected, for the Rollover Option and who hold their relevant TIGT Shares in uncertificated form as at the Record Date will receive their New Shares in uncertificated form on 28 March 2024, although the Company reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised by the Company in the event of an interruption, failure or breakdown of CREST or the facilities or system operated by the Company's Registrar in connection with CREST. The Company will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New Shares in uncertificated form.



Fractional entitlements to New Shares will not be issued in connection with the Proposals and entitlements will be rounded down to the nearest whole number of New Shares. No cash payments will be made or returned in respect of any fractional entitlements which will be retained for the benefit of the Company.

## **9. OVERSEAS TIGT SHAREHOLDERS**

The terms of the Scheme, as they relate to Overseas TIGT Shareholders, may be affected by the laws of the relevant jurisdiction. Overseas TIGT Shareholders are required to inform themselves about, and observe, any applicable legal requirements.

It is the responsibility of Overseas TIGT Shareholders to satisfy themselves (and the Directors and/or the Liquidators) as to the observance of the laws of the relevant jurisdiction in connection with the issue of New Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

Overseas TIGT Shareholders are entitled to participate in the Scheme. However, to the extent that the Company, and/or the Liquidators, acting reasonably, consider that any issue of New Shares to an Overseas TIGT Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or may violate any applicable legal or regulatory requirements or may require the Company to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Company and/or the Liquidators, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Overseas TIGT Shareholder is permitted to hold New Shares under any relevant securities laws or regulations of such overseas jurisdictions (or that the Company will not be subject to any additional regulatory requirements to which it would not be subject but for such issue), such Overseas TIGT Shareholder will be deemed to have elected for the Cash Option in respect of their entire holding of TIGT Shares.

Overseas TIGT Shareholders who are subject to taxation outside of the United Kingdom should consult their tax adviser as to the tax effect of the Proposals on them.

The relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, New Zealand or the Republic of South Africa. No offer is being made, directly or indirectly, under the Scheme in or into by the use of mails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange, of the United States (subject to certain exceptions described herein), Australia, Canada, Japan, New Zealand or the Republic of South Africa.

**Overseas TIGT Shareholders who wish to participate in the Issue should contact the Company directly by no later than 5.00 p.m. on 13 March 2024 if they are able to demonstrate, to the satisfaction of the Directors and/or the Liquidators, that they can be issued New Shares without breaching any relevant securities laws.**

Overseas TIGT Shareholders will not receive a copy of this Prospectus unless they have satisfied the Directors that they are entitled to receive and hold New Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or TIGT with any overseas laws, regulations, filing requirements or the equivalent.

Sanctions Restricted Persons will not be entitled to receive a copy of this Prospectus in any circumstance. A Sanctions Restricted Person that holds TIGT Shares will not be entitled to receive New Shares pursuant to the Scheme and will be deemed to have elected for the Cash Option. Any distribution of a Sanctions Restricted Person's Cash Entitlement pursuant to the Scheme will be at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulation.

### ***Notice to US TIGT Shareholders***

In connection with the Issue, New 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 and returned to the Company a US Investor Representation Letter. A US TIGT Shareholder that does not complete and return a valid US Investor Representation Letter will be deemed to have elected for the Cash Option in respect of their entire holding of TIGT Shares.

The Scheme is being implemented subject to United Kingdom disclosure requirements which are different from certain United States disclosure requirements. In addition, US TIGT 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 which 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.

US TIGT Shareholders should note that the New Shares are not listed on a US securities exchange and the Company is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the 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 TIGT 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 TIGT 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 TIGT Shareholders will receive any cash consideration in pounds Sterling.

In accordance with the UK Takeover Code, normal UK practice and Rule 143-5(b) of the US Exchange Act (if applicable), J.P. Morgan Cazenove will continue to act as a connected exempt market maker or connected exempt principal trader in the Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will only be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website.

The New Shares have not been and will not be registered under the US Securities Act, and the New 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 New 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 New Shares in the United States.

There are significant restrictions on the resale of New Shares by persons that are located in the United States, that are US Persons, or who hold New Shares for the account or benefit of US Persons and on the resale of New 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 New 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.

## **10. TAXATION**

The attention of TIGT Shareholders is drawn to the summary of tax matters set out in Part 6 (*UK Taxation*) of this Prospectus. TIGT Shareholders should seek tax advice from their own tax adviser about the taxation consequences of acquiring/receiving, holding or disposing of New Shares.

## PART 5

### FINANCIAL INFORMATION

#### 1. INTRODUCTION

The financial information contained in the sections titled “*Historical Financial Information*”, “*Selected Financial Information*” and “*Operating and Financial Review*” of this Part 5 has been extracted without material adjustment from: (i) the annual reports and audited financial statements of the Company for the financial years ended 31 March 2022 (the “**2022 Annual Report**”) and 31 March 2023 (the “**2023 Annual Report**”); and (ii) the reports and unaudited interim financial statements of the Company for the six month periods ended 30 September 2022 (the “**2022 Interim Report**”) and 30 September 2023 (the “**2023 Interim Report**”).

Both of the 2022 Annual Report and 2023 Annual Report were prepared under UK GAAP in accordance with FRS 102 and were audited by Ernst & Young LLP whose report was unqualified and did not contain any statement under section 498(2) or (3) of the Companies Act. Ernst & Young LLP is registered to carry on audit work in the UK and the Republic of Ireland by the Institute of Chartered Accountants in England and Wales.

Copies of the 2022 Annual Report, 2023 Annual Report, 2022 Interim Report and the 2023 Interim Report are available for inspection in the section titled “Literature” on the Company’s website at [www.stsplc.co.uk](http://www.stsplc.co.uk).

#### 2. HISTORICAL FINANCIAL INFORMATION

Historical financial information relating to the Company on the matters referred to below is included in the 2022 Annual Report, the 2023 Annual Report, the 2022 Interim Report and the 2023 Interim Report as set out in the table below and is expressly incorporated by reference into this Prospectus. The non-incorporated parts of these reports of the Company are either not relevant to investors or covered elsewhere in this Prospectus.

Nature of information	2023 Annual Report Page No.	2022 Annual Report Page No.	2023 Interim Report (unaudited) Page No.	2022 Interim Report (unaudited) Page No.
Performance highlights	2 – 3	1 – 2	2	1
Independent auditor’s report	41 – 47	35 – 41	—	—
Statement of comprehensive income	48	42	9	8
Statement of financial position	49	43	10	9
Statement of changes in equity	50	44	11	10
Statement of cash flows	51	45	12	11
Notes to the financial statements	52 – 64	46 – 57	13 – 17	12 – 15

#### 3. SELECTED FINANCIAL INFORMATION

The information regarding the Company in this paragraph 3 has been prepared by the Company and has been extracted directly from the historical financial information referred to in paragraph 1 of this Part 5. The key audited figures that summarise the financial condition of the Company in respect of the financial years ended 31 March 2022 and 31 March 2023, and the key unaudited figures in respect of the six month periods ended 30 September 2022 and 30 September 2023, each of which have been extracted without material adjustment from the historical financial information referred to in paragraph 2 above, are set out in the tables below.

## Statement of comprehensive income

Nature of Information	Year ended 31 March 2023			Year ended 31 March 2022			Six months ended 30 September 2023 (unaudited)			Six months ended 30 September 2022 (unaudited)		
	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue (£'000)	Capital (£'000)	Total (£'000)	Revenue (£'000)	Capital (£'000)	Total (£'000)
Net gains/(losses) on investments	—	(8,800)	(8,800)	—	29,232	29,232	—	(1,204)	(1,204)	—	(7,283)	(7,283)
Net currency gains/(losses)	(4)	(869)	(873)	3	(445)	(442)	(22)	(66)	(88)	24	(1,946)	(1,922)
Income	8,238	266	8,504	7,378	—	7,378	4,034	—	4,034	4,269	266	4,535
Investment management fee	(531)	(985)	(1,516)	(222)	(413)	(635)	(247)	(459)	(247)	(266)	(494)	(760)
Other expenses	(625)	—	(625)	(516)	—	(516)	(287)	—	(287)	(295)	—	(295)
<b>Net return/(loss) before finance costs and taxation</b>	<b>7,078</b>	<b>(10,388)</b>	<b>(3,310)</b>	<b>6,643</b>	<b>28,374</b>	<b>35,017</b>	<b>3,478</b>	<b>(1,729)</b>	<b>1,749</b>	<b>3,732</b>	<b>(9,457)</b>	<b>(5,725)</b>
Finance costs	(171)	(318)	(489)	(157)	(291)	(448)	(83)	(153)	(236)	(85)	(158)	(243)
<b>Net return/(loss) before taxation</b>	<b>6,907</b>	<b>(10,706)</b>	<b>(3,799)</b>	<b>6,486</b>	<b>28,083</b>	<b>34,569</b>	<b>3,395</b>	<b>(1,882)</b>	<b>1,513</b>	<b>3,647</b>	<b>(9,615)</b>	<b>(5,968)</b>
Taxation	(566)	—	(566)	(632)	—	(632)	(192)	—	(192)	(215)	—	(215)
<b>Net return/(loss) after taxation</b>	<b>6,341</b>	<b>(10,706)</b>	<b>(4,365)</b>	<b>5,854</b>	<b>28,083</b>	<b>33,937</b>	<b>3,203</b>	<b>(1,882)</b>	<b>1,321</b>	<b>3,432</b>	<b>(9,615)</b>	<b>(6,183)</b>
<b>Return/(loss) per Share (pence)</b>	<b>6.34</b>	<b>(10.70)</b>	<b>(4.36)</b>	<b>5.82</b>	<b>27.92</b>	<b>33.74</b>	<b>3.31</b>	<b>(1.94)</b>	<b>1.37</b>	<b>3.43</b>	<b>(9.61)</b>	<b>(6.18)</b>

## Balance sheet for closed-end funds

Nature of Information	Year ended 31 March 2023	Year ended 31 March 2022	Six months ended 30 September 2023 (unaudited)	Six months ended 30 September 2022 (unaudited)
<b>Total net assets (£'000)</b>	219,235	229,657	206,657	223,441
<b>Net Asset Value (with debt at fair value) per Share (basic and diluted) (p)</b>	220.37	230.75	220.09	222.86

## Selected pro forma financial information

Neither pro forma financial information nor any qualified audit report has been included in this Prospectus.

## Additional information relevant to closed-end funds

The data set out in the table below is as at the date of the latest published (unaudited) Net Asset Value of the Company as at the latest practicable date, being 20 February 2024.

Share Class	NAV (unaudited) (£'000)	No. of shares (excluding shares held in treasury)	NAV per Share (unaudited) (p)
Redeemable ordinary	202,944	89,158,378	227.62
Restricted voting deferred	N/A	2	N/A

## 4. OPERATING AND FINANCIAL REVIEW

The 2022 Annual Report, the 2023 Annual Report, the 2022 Interim Report and the 2023 Interim Report included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms), changes in its financial condition and details of the Portfolio for the relevant period. These sections are expressly incorporated by reference into this Prospectus. The non-incorporated parts of those reports of the Company are either not relevant to investors or covered elsewhere in this Prospectus.

Nature of information	2023 Annual Report Page No.	2022 Annual Report Page No.	2023 Interim Report (unaudited) Page No.	2022 Interim Report (unaudited) Page No.
Chairman's statement	4 – 6	3 – 4	3 – 4	2 – 3
Manager's review	7 – 9	5 – 6	5 – 6	4 – 5
Portfolio holdings	11	8 – 9	—	—
Portfolio summary	—	—	8	7

## 5. DOCUMENTS INCORPORATED BY REFERENCE

The following sections of the annual report and audited financial statements of the Company for the financial years ended 31 March 2022 and 31 March 2023 and the report and unaudited interim financial statements of the Company for the six month periods ended 30 September 2022 and 30 September 2023 are deemed relevant for the purposes of this Prospectus and are incorporated by reference into this Prospectus. The non-incorporated parts of these financial reports of the Company are either not relevant to investors or are covered elsewhere in this Prospectus.

- the sections listed in paragraph 2 (*Historical financial information*) of this Part 5; and
- the sections listed in paragraph 4 (*Operating and financial review*) of this Part 5.

The documents incorporated by reference can be obtained from the Company's website ([www.stsplc.co.uk](http://www.stsplc.co.uk)) in the section titled "Literature".

## 6. SIGNIFICANT CHANGE

As at the date of this Prospectus, there has been no significant change in the financial position of the Company since 30 September 2023, being the end of the last financial period for which unaudited financial information has been published.

## 7. CAPITALISATION AND INDEBTEDNESS

The following table sets out the capitalisation and indebtedness of the Company (distinguishing between guaranteed and unguaranteed, and secured and unsecured indebtedness) as at 31 January 2024:

	(£'000)
<b>Total current debt</b> (including current portion of non-current debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	15,390
	<b>15,390</b>
<b>Total non-current debt</b> (excluding current portion of non-current debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
	–
<b>Shareholder equity</b>	
– Called-up Share capital	1,223
– Share premium	31,808
– Capital redemption reserve	78
– Special distributable reserve	50,550
– Capital reserve	115,429
– Revenue reserve	3,121
<b>Total</b>	<b>202,209</b>

The information in the table above is unaudited financial information extracted from internal management accounting records as at 31 January 2024.

The following table shows the Company's total financial indebtedness as at 31 January 2024. The information in the following table is unaudited financial information extracted from internal management accounting records as at 31 January 2024.

	(£'000)
A. Cash	333
B. Cash equivalents	–
C. Other current financial assets	1,549
<b>D. Liquidity (A+B+C)</b>	<b>1,882</b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	563
F. Current portion of non-current financial debt	15,390
<b>G. Current financial indebtedness (E+F)</b>	<b>15,953</b>
<b>H. Net current financial indebtedness (G-D)</b>	<b>14,071</b>
I. Non-current financial debt (excluding current portion and debt instruments)	–
J. Debt instruments	–
K. Non-current trade and other payables	–
<b>L. Non-current financial indebtedness (I+J+K)</b>	<b>–</b>
<b>M. Total financial indebtedness (H+L)</b>	<b>14,071</b>

As at 31 January 2024, the Company had no indirect or contingent indebtedness. As at the date of this Prospectus, there has been no material change in the capitalisation and indebtedness position of the Company since 31 January 2024.

## 8. WORKING CAPITAL

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next 12 months from the date of this Prospectus).

## 9. NET ASSET VALUE

The unaudited NAV per Share with debt at fair value as at 20 February 2024 was 227.62 pence and the unaudited NAV per Share with debt at par value as at 20 February 2024 was 227.62 pence.

## PART 6

### UK TAXATION

#### 1. GENERAL

The information below, which relates only to the UK, summarises the advice received by the Board and is applicable to the Company and (except in so far as express reference is made to the treatment of other persons) to persons who are resident in the UK for taxation purposes and who hold Shares as an investment. It is based on current UK taxation law and HMRC published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). It is not intended to be, nor should it be construed to be, legal or tax advice. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring/receiving their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject. The tax legislation of each investor's home country and of the Company's country of incorporation may have an impact on the income received from the Shares.

In particular, the information below does not address the US federal income tax considerations applicable to an investment in the New Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequences of any such investment.

All tax rates and allowances refer to those in force in the UK fiscal year 2023/24. Tax rates and allowances may change in subsequent years.

**If you are in any doubt about your tax position, you should consult your tax adviser.**

#### 2. THE COMPANY

The Company is an investment trust under section 1158 of the Corporation Tax Act. The Board has conducted the affairs of the Company, and intends to conduct the affairs of the Company in the future, so as to enable it to satisfy the conditions necessary for it to continue to be eligible as an investment trust under sections 1158 and 1159 of Chapter 4 of Part 24 of the Corporation Tax Act and the Investment Trust Tax Regulations. However, neither the AIFM nor the Directors can provide assurance that this eligibility will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a "close company" for UK tax purposes. The Directors consider that the Company is not a close company as at the date of this Prospectus and should not be immediately following Admission.

In respect of each accounting period for which the Company is approved by HMRC as an investment trust, the Company will be exempt from UK taxation on its chargeable gains.

The Company will, however, (subject to the following) be liable to pay UK corporation tax on its income in the normal way. Income and gains arising from overseas investments may be subject to foreign withholding taxes (or foreign capital gains taxes) at varying rates, but double taxation relief may be available. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the "exempt classes" in Part 9A of the Corporation Tax Act 2009.

An investment trust approved under section 1158 and 1159 of Chapter 4 of Part 24 of the Corporation Tax Act is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). The Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends out of distributable profits realised in the accounting period, to the extent that it has "qualifying interest income" for that accounting period. Were the Company to designate any dividend it pays in this manner, it should be able to deduct such interest distributions from its taxable income in calculating its taxable profit for the relevant accounting period.

### 3. SHAREHOLDERS

#### 3.1. Taxation of capital gains

A disposal of Shares (including a disposal on a winding up of the Company) by an individual Shareholder who is resident in the UK for tax purposes, or a disposal by a non-UK resident individual who carries on a trade in the UK through a branch, agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the individual Shareholder's circumstances and subject to any available exemption or relief.

UK-resident and domiciled individual Shareholders have an annual exemption (the "**Annual Exempt Amount**"), such that UK capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The Annual Exempt Amount is £6,000 for the tax year 2023/24. For such individual Shareholders, UK capital gains tax will be chargeable on a disposal of Shares at the applicable rate (currently 10 per cent. (to the extent that the gains fall within a taxpayer's basic rate band after income has been accounted for), or 20 per cent. (to the extent that the gains fall within a taxpayer's higher or additional rate bands)). For Scottish taxpayers, references to income tax that would otherwise be charged at the basic rate, higher rate and additional rate are to be read as if the individual was not a Scottish taxpayer. Shareholders should note that changes to income tax rates and bands came into force in England and Wales on 6 April 2023. Taxable income of up to £50,270 is charged at a basic rate of 20 per cent., taxable income in the £50,271 to £125,140 bracket is charged at a higher rate of 40 per cent. and taxable income over £125,140 is charged at an additional rate of 45 per cent. This is subject to a personal allowance of up to £12,570 for taxable income under £125,140 (note, an individual's personal allowance reduces by £1 for every £2 of adjusted net income above £100,000). For completeness, Scottish taxpayers would be subject to the same income tax rates and bands that are in force in England and Wales on non-earned income and capital gains.

Generally, an individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Shares during that period may be liable, on their return to the UK, to UK taxation on any chargeable gain realised (subject to any available exemption or relief) under anti-avoidance legislation relating to temporary non-residents. Special rules apply to individual Shareholders who are subject to tax on a "split-year" basis, and they should seek specific tax advice if they are in any doubt about their position.

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax at the rate of UK corporation tax applicable to that Shareholder (currently at a main rate of 25 per cent. for those companies with profits over £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief available for companies with profits between £50,000 and £250,000 (inclusive)) on chargeable gains arising on a disposal of their Shares.

Individual and corporate Shareholders who are neither resident in the UK, nor temporarily non-resident for the purposes of the anti-avoidance legislation referred to above, and who do not carry on a trade in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected, should not be subject to United Kingdom taxation on chargeable gains on a disposal of their Shares, although such Shareholders may be subject to taxation in their own jurisdiction.

#### 3.2. Taxation of dividends

##### *Individuals*

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. The statements in the following three paragraphs apply in respect of dividends to which the "streaming" regime does not apply.

UK resident individuals are entitled to a nil rate of income tax on the first £1,000 of dividend income for the tax year 2023/24 (the "**Nil Rate Amount**"). Any dividend income received by a UK resident individual Shareholder in respect of the Shares in excess of the Nil Rate Amount will be subject to income tax at a rate of 8.75 per cent. where such a Shareholder is a basic rate taxpayer; 33.75 per cent. where such a Shareholder is a higher rate taxpayer; and 39.35 per cent. where such a Shareholder is an additional rate taxpayer. For Scottish taxpayers, references to income tax that would otherwise be charged at the basic rate, higher rate and additional rate are to be read as if the individual was not a



Scottish taxpayer. Shareholders should note that changes to income tax rates and bands came into force in England and Wales on 6 April 2023. Taxable income of up to £50,270 is charged at a basic rate of 20 per cent., taxable income in the £50,271 to £125,140 bracket is charged at a higher rate of 40 per cent. and taxable income over £125,140 is charged at an additional rate of 45 per cent. This is subject to a personal allowance of up to £12,570 for taxable income under £125,140 (note, an individual's personal allowance reduces by £1 for every £2 of adjusted net income above £100,000). For completeness, Scottish taxpayers would be subject to the same income tax rates and bands that are in force in England and Wales on non-earned income and capital gains.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limits and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating which tax band any dividend income over the Nil Rate Amount falls into, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

The Company will not be required to withhold tax at source when paying a dividend to individuals (including such part of any dividend as may be designated an interest distribution as described above).

To the extent that an election is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period under the "streaming" regime, then the corresponding dividends paid by the Company will be taxed as interest income in the hands of UK resident individual shareholders. To the extent the Shareholder is within the basic rate band, interest received in excess of the savings allowance of £1,000 will be taxed at 20 per cent. To the extent the Shareholder is within the higher rate band, interest received in excess of the savings allowance of £500 will be taxed at 40 per cent. To the extent the Shareholder is within the additional rate band, interest received will be taxed at 45 per cent. The tax free savings allowance is not available for additional rate taxpayers. For Scottish taxpayers, references to income tax that would otherwise be charged at the basic rate, higher rate and additional rate are to be read as if the individual was not a Scottish taxpayer. For completeness, Scottish taxpayers would be subject to the same income tax rates and bands that are in force in England and Wales on non-earned income and capital gains.

#### *Corporations*

The statements in the following two paragraphs apply in respect of dividends to which the "streaming" regime does not apply.

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

It is anticipated that dividends paid on the Shares held by UK tax resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes. However, such Shareholders are advised to consult their tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, the dividends will be subject to UK corporation tax currently at a main rate of 25 per cent. for those companies with profits over £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief available for companies with profits between £50,000 and £250,000 (inclusive).

To the extent that an election is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period under the "streaming" regime, then the corresponding dividends paid by the Company will be taxed according to the loan relationship rules in the hands of UK resident corporate Shareholders and subject to UK corporation tax currently at a main rate of 25 per cent. for those companies with profits over £250,000 and at a small profits rate of 19 per cent. for those companies with profits under £50,000, with marginal relief available for companies with profits between £50,000 and £250,000 (inclusive).

The Company will not be required to withhold tax at source when paying a dividend to corporations (including such part of any dividend as may be designated an interest distribution as described above).

## **4. STAMP DUTY AND SDRT**

### **4.1. Issue of New Shares pursuant to the Issue**

The issue of New Shares pursuant to the Issue should not give rise to any stamp duty or SDRT.

### **4.2. Subsequent transfers**

Subsequent transfers of New Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer (rounded up to the nearest £5.00). However, an exemption from stamp duty will be available on an instrument transferring New Shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. The purchaser normally pays the stamp duty.

An unconditional agreement to transfer New Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. However, if a duly stamped or exempt instrument of transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, with interest where the amount is in excess of £25.00, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of New Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will be passed on to the purchaser). Deposits of New Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration in the form of money or money's worth.

In certain circumstances, the transfer of New Shares will be chargeable to stamp duty or SDRT on the value of the New Shares transferred, rather than the amount or value of the consideration given.

## **5. ISAS**

Shares acquired by a UK resident individual Shareholder may be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2023/2024). Investments held in ISAs are, under current legislation, 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. Junior ISAs are available to children under the age of 18 who are resident in the UK subject to the annual allowance of £9,000 for the 2023/24 tax year.

Individuals wishing to invest in New Shares through an ISA should contact their professional advisers regarding their eligibility.

## **6. INFORMATION REPORTING**

The UK has entered into a number of international arrangements which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, FATCA, the CRS, the EU Directive on Administrative Cooperation in Tax Matters, and a number of other arrangements with particular jurisdictions.

In connection with such international agreements and obligations (and UK regulations implementing the same) the Company may, amongst other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with such UK regulations and relevant international agreements and obligations.

## **7. PREVENTION OF THE CRIMINAL FACILITATION OF TAX EVASION**

Two United Kingdom corporate criminal offences for failure to prevent the facilitation of tax evasion (referred to generally as "FTP offences") created by the Criminal Finances Act 2017 impose criminal liability on a company or a partnership (referred to here as a "relevant body") if it fails to prevent the

criminal facilitation of tax evasion by a person “when acting in the capacity of a person associated” with the relevant body. There is a defence to the charge if the relevant body can show that it had in place reasonable “prevention procedures” at the time the facilitation took place. In order to comply with the Criminal Finances Act 2017, the Company, the AIFM and the Investment Manager may require additional information from Shareholders or prospective investors in the Company regarding their tax affairs.

## PART 7

### GENERAL INFORMATION

#### 1. THE COMPANY

- 1.1. The Company was incorporated in Scotland on 15 April 2005 with the name *New Securities Trust of Scotland plc* and registered number SC283272 as a public company limited by shares under the Companies Act 1985. The Company changed its name to *Securities Trust of Scotland plc* and, on 5 June 2023, the Company adopted its current name, *STS Global Income & Growth Trust plc*. The Company is registered as an investment company under section 833 of the Companies Act. The Company's LEI is 549300UZ1Y7PPQYJGE19.
- 1.2. The registered office and principal place of business of the Company is at 28 Walker Street, Edinburgh EH3 7HR, with telephone number: +44 (0)131 378 0500.
- 1.3. As a listed investment trust, the Company is not regulated as a collective investment scheme by the FCA. However, as a company with its Shares admitted to listing on the premium segment of the Official List and to trading on the Main Market, it is 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 Scotland. 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. The principal activity of the Company is to invest its assets in accordance with the investment objective and policy set out in Part 1 (*The Company*) of this Prospectus.
- 1.5. The Company has an unlimited life.
- 1.6. The Company's accounting period ends on 31 March of each year. The Company's latest audited financial statements for the financial year ended 31 March 2023 were published on 8 June 2023 and the Company's latest unaudited financial statements for the six months ended 30 September 2023 were published on 14 December 2023.
- 1.7. Ernst & Young LLP is the statutory auditor of the Company. Ernst & Young LLP is a member of the Institute of Chartered Accountants in England and Wales.
- 1.8. The Company has no employees and its day-to-day activities are delegated to third parties.
- 1.9. 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:
  - 1.9.1. 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;
  - 1.9.2. the Company is not a close company at any time during the accounting period for which approval is sought;
  - 1.9.3. the Company is resident in the UK throughout that accounting period;
  - 1.9.4. the Company's ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period;
  - 1.9.5. the company is not a venture capital trust or a real estate investment trust; and
  - 1.9.6. 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 AIFM AND THE INVESTMENT MANAGER

- 2.1. Juniper Partners Limited has been appointed as the alternative investment fund manager of the Company pursuant to the Investment Management Agreement. The AIFM is a private limited company incorporated in Scotland under the Companies Act with registered number SC366565. The registered office of the AIFM is at 28 Walker Street, Edinburgh EH3 7HR and its telephone number is +44 (0)131 378 0500. The AIFM is authorised and regulated by the FCA (FRN: 613546).
- 2.2. Troy Asset Management Limited has been appointed as the investment manager of the Company pursuant to the Investment Management Delegation Agreement. The Investment Manager is a private limited company incorporated in England and Wales under the Companies Act 1985 with registered number 03930846. The Investment Manager operates under the Companies Act. The registered office of the Investment Manager is 33 Davies Street, London W1K 4BP and its telephone number is +44 (0)20 7499 4030. The Investment Manager is authorised and regulated by the FCA (FRN: 195764).

## 3. THE DEPOSITARY and THE Custodian

- 3.1. J.P. Morgan Europe Limited has been appointed as the depositary to the Company pursuant to the Depositary Agreement. The Depositary is a private limited company incorporated in England and Wales under the Companies Act 1948 with registered number 00938937. The Depositary operates under the Companies Act. The registered office of the Depositary is at 25 Bank Street, Canary Wharf, London E14 5JP and its telephone number is +44 (0)20 7742 4000. The Depositary is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and to limited regulation by the Prudential Regulation Authority (FRN: 124579).
- 3.2. JPMorgan Chase Bank, N.A., London Branch has been appointed as the custodian to the Company pursuant to the Depositary Agreement and the Global Custody Agreement. The Custodian is a national banking association incorporated in the United States. The Custodian's principal place of business in the United Kingdom is at 25 Bank Street, Canary Wharf, London E14 5JP and its telephone number is +44 (0)20 7742 4000. The Custodian is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and to limited regulation by the Prudential Regulation Authority (FRN: 124491).

## 4. SHARE CAPITAL

- 4.1. The ISIN of the Shares is GB00B09G3N23, the SEDOL of the Shares is B09G3N2 and the ticker code is STS.
- 4.2. Set out below is the issued Share capital of the Company (excluding Shares held in treasury): (a) as at the date of this Prospectus; and (b) immediately following the Issue (assuming that approximately 56.8 million New Shares are issued (such number being based on the illustration provided in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus)). All New Shares issued pursuant to the Issue will be fully paid on Admission.

	As at the date of this Prospectus		Immediately following the Issue	
	Number	Aggregate nominal value (£)	Number	Aggregate nominal value (£)
Shares	122,299,148	1,222,991.48	145,962,717	1,459,627.17
Restricted Voting Deferred Shares	2	2	2	2

- 4.3. As at 20 February 2024 the Company held 33,140,770 Shares in treasury.

- 4.4. The Shares are admitted to the premium segment of the Official List and to trading on the Main Market. The Company has no authorised share capital.
- 4.5. In addition to the ordinary business of the Company, resolutions were passed at the AGM held on 20 September 2023 (the “**2023 AGM**”) as follows:
- 4.5.1. the aggregate limit on directors’ remuneration was increased from £200,000 to £250,000 per annum;
- 4.5.2. in substitution for any existing authority of the Directors, the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to allot equity securities (as defined in section 560 of the Companies Act) (for the purposes of this paragraph 4.5, “**Securities**”) and to grant rights to subscribe for or convert any security into shares in the Company up to a maximum aggregate nominal amount of £328,362 (being one third of the issued Share capital of the Company as at 6 June 2023, which was the latest practicable date prior to the date of the notice of the 2023 AGM). The authority referred to in this paragraph 4.5.2 (unless previously varied as to duration, revoked or renewed by the Company in general meeting) will expire on 30 September 2024 or, if earlier, at the conclusion of the 2024 AGM save that the Company may, at any time before the expiry of such authority, make an offer or enter into an agreement which would or might require Securities to be allotted after the expiry of such authority and the Directors may allot Securities in pursuance of such an offer or agreement as if such authority had not expired;
- 4.5.3. the Directors were empowered pursuant to sections 570 and 573 of the Companies Act to allot Securities for cash pursuant to the general authority referred to in paragraph 4.5.2 above and/or to sell Securities held as treasury Shares for cash pursuant to section 727 of the Companies Act, in each case as if section 561 of the Companies Act did not apply to any such allotment or sale, provided that this power be limited to:
- (a) any such allotment and/or sale of Securities in connection with an offer or issue by way or rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of Shares (other than the Company) on the Register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of Shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and
- (b) any such allotment and/or sale of Securities otherwise than pursuant to subparagraph (a) above, having, in the case of Shares, an aggregate nominal value or, in the case of other Securities, giving the right to subscribe for or convert into Shares having an aggregate nominal value, not exceeding the sum of £244,598 (representing 20 per cent. of the issued Share capital as at 6 June 2023, which was the latest practicable date prior to the date of the notice of the 2023 AGM).
- The authority referred to in this paragraph 4.5.3 (unless previously varied as to duration, revoked or renewed by the Company in general meeting) will expire on 30 September 2024 or, if earlier, at the conclusion of the 2024 AGM save that the Company may, at any time before the expiry of such authority, make an offer or enter into an agreement which would or might require Securities to be allotted after the expiry of such authority and the Directors may allot Securities in pursuance of such an offer or agreement as if such authority had not expired;
- 4.5.4. in accordance with section 701 of the Companies Act, and in substitution for any existing authority, the Company was generally and unconditionally authorised to make market purchases (within the meaning of section 693 of the Companies Act) of Shares provided that:
- (a) the maximum aggregate number of Shares authorised to be purchased is 14,766,425 Shares (being 14.99 per cent. of the issued Share capital as at 6 June 2023);

- (b) the minimum price which may be paid for a Share is one penny per Share which amount shall be exclusive of expenses;
- (c) the maximum price (exclusive of expenses) which may be paid for a Share shall be an amount being not more than the higher of: (i) 105 per cent. of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for the Shares for the five Business Days immediately preceding the date of purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid relating to a Share on the trading venue where the purchase is carried out; and
- (d) unless previously varied, revoked or renewed, the authority so conferred shall expire on 20 December 2024 or, if earlier, at the conclusion of the next Annual General Meeting, save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase Shares under such authority which would or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract or contracts as if the authority so conferred had not expired; and

4.5.5. the period of notice required for general meetings of the Company (other than Annual General Meetings) shall be not less than 14 days provided that this authority will expire at the conclusion of the 2024 AGM.

- 4.6. At the General Meeting, the Directors will seek Shareholder authority to allot New Shares up to an aggregate nominal amount of £1,250,000 in connection with the Scheme and the Issue (such authority to expire on 31 May 2024). Such authority will be in addition to the authority referred to in paragraph 4.5.2 above.
- 4.7. At the General Meeting, the Directors will seek Shareholder authority to renewal of the Company's authority to buy back Shares based on the issued Share capital of the Company at the time of the General Meeting and, due to the dilutive effect of the Issue, based on the enlarged Share capital of the Company following the implementation of the Proposals.
- 4.8. The provisions of section 561 of the Companies Act which, to the extent not disapplied pursuant to section 570 or section 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash and shall apply to any unissued Share capital of the Company, except to the extent disapplied by the authority referred to in paragraph 4.5.3 above.
- 4.9. The New Shares will be in registered form and, from Admission, will be capable of being held in uncertificated form and title to such Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 Business Days of the completion of the registration process or transfer of the Shares, as the case may be. Where Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar maintains a register of Shareholders holding their Shares in CREST.
- 4.10. Save as disclosed in this Prospectus, as at 20 February 2024, no share or loan capital of the Company:
  - 4.10.1. 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; or
  - 4.10.2. is under option or has been agreed conditionally or unconditionally to be put under option.
- 4.11. All New Shares will be fully paid on Admission. Subject as provided elsewhere in this Prospectus and in the Articles, Shares are freely transferable.

## 5. ARTICLES OF ASSOCIATION

The Company's Existing Articles were adopted on 18 July 2012. Whilst not a requirement or condition of the Scheme, the Board is proposing to take the opportunity to make certain amendments to the Company's Existing Articles at the General Meeting. The proposed changes to the Existing Articles primarily relate to changes in law and regulation and developments in market practice since the Existing Articles were adopted and also include some additional minor or technical amendments. A resolution to implement these amendments (through the adoption of the Revised Articles) will be proposed at the General Meeting (i.e. Resolution 4). For the avoidance of doubt, implementation of the Scheme is not conditional on the passing of Resolution 4 (that is, on Shareholders approving the adoption of the Revised Articles).

The Existing Articles contain (and, where relevant, will contain if the Revised Articles are adopted at the General Meeting), *inter alia*, provisions to the following effect:

### 5.1. Summary of the current and proposed share rights in the Articles

#### 5.1.1. Issue of shares

Subject to the Companies Act and every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company (for the purposes of this paragraph 5.1, the "**Statutes**"), the provisions of the Articles and any resolution of the Company and without prejudice to any rights attached to existing shares, the Board may offer, allot, grant options over or otherwise deal with or dispose of any new shares to such persons, at such times and for such consideration and generally upon such terms as the Board may decide.

#### 5.1.2. Variation of rights

Whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares issued by the Company may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of at least three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up.

At any such separate general meeting the necessary quorum shall be two persons holding or representing by proxy or by a corporate representative at least one-third in nominal value of the issued shares of the class, every holder of shares in the class present in person or by proxy or by a corporate representative shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and any holder of shares of the class present in person or by proxy may demand a poll. At any adjourned meeting of such separate general meeting the quorum will be one holder present in person or by proxy or by a corporate representative.

The foregoing provisions shall apply to the variation or abrogation of the special rights attached to only some of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied. The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

#### 5.1.3. Redemption rights

Holders of Shares have the right to have all or any of their Shares redeemed by the Company, exercisable in the event that the average daily discount of the closing mid-market price of a Share to the prevailing NAV per Share exceeds 7.5 per cent. over the Quarterly Period ending on 31 March, in any year (a "**Relevant Quarterly Period**"). To exercise these redemption rights, the holder must lodge the documents required by the Articles in the manner and within the timings set out in the Articles. Where this right is triggered, the Company will give notice to Shareholders reminding them of their redemption rights and any redemptions would take place on the final day of the Quarterly Period during which the Company holds its next Annual General Meeting following the Relevant Quarterly Period (that day being a "**Redemption Date**"). Shares in respect



of which notices of redemption have been lodged (“**Redemption Shares**”) shall not rank for any dividends or other distributions declared, made or paid by reference to a record date after the relevant Redemption Date. The redemption price per Share (the “**Redemption Price**”) will be calculated as at the relevant Redemption Date in accordance with the following formula:

$$\text{Redemption Price} = A - B$$

where:

A = the NAV per Share as calculated by the Directors for the purposes of publication in the monthly information release (formerly known as the “Monthly Information Service”) issued by the AIC (formerly named the Association of Investment Trust Companies) in respect of the Quarterly Period ending on the Redemption Date; and

$$B = \frac{C}{D}$$

where:

C = the aggregate of any and all termination fees payable to the investment manager of the Company in respect of the Redemption Shares and other costs and taxes relating to the redemption; and

D = the aggregate number of Redemption Shares,

provided that the Redemption Price may not be less than the nominal value of a Share and, if the application of the above formula would produce a Redemption Price that is less than the nominal value of a Share, the Company would not be obliged to redeem any Redemption Shares.

The redemption of Shares will be subject to compliance with the provisions of the Companies Act and related legislation. The Company shall not be permitted to use revenue reserves for the purposes of effecting redemptions.

Prior to any Redemption Date, the Company is required to use its reasonable endeavours to ensure that it has sufficient distributable reserves out of which to redeem the Redemption Shares at the Redemption Price. If the Company has insufficient distributable reserves (excluding for this purpose revenue reserves) out of which to redeem the Redemption Shares at any Redemption Date at the Redemption Price and the Directors are of the opinion that such redemption cannot be met out of the proceeds of a fresh issue of Shares, then the aggregate number of Shares to be redeemed shall be such number at the Redemption Date as the Company is permitted by law to redeem having regard to its distributable reserves (excluding for this purpose revenue reserves), at the relevant Redemption Date, such reduction being applied in the same proportionate amount (where possible and ignoring fractional entitlements) to the number of Shares in respect of which a notice of redemption is served by each holder.

Where the redemption right is triggered, the Board is required by the Articles to hold a general meeting of the Company prior to the relevant Redemption Date, at which a special resolution must be proposed to cancel the relevant redemption process. If Shareholders were to pass that special resolution then the relevant redemption process would not proceed and would be cancelled, and no Shareholder would be able to redeem any of their Shares on the relevant Redemption Date.

#### 5.1.4. *Redeemable shares*

Subject to the Statutes and to any rights previously conferred on the holders of any other shares, any share may be issued on terms that it is to be redeemed, or is liable to be redeemed at the option of the Company or the holder, and the Directors are authorised to determine such terms, conditions and the manner of redemption of any redeemable shares and those rights and restrictions will apply as if they were set out in the Articles.

#### 5.1.5. *Dividends*

The Company may, subject to the Statutes, by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the Board. The Board may, subject to the

Statutes, 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. If the Board acts in good faith, none of the Directors shall incur any liability to the holders of any shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend on any other class of shares ranking *pari passu* with or after those shares.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

- all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated, for the purposes of calculating dividends, as paid upon the Share;
- all dividends shall be apportioned and paid *pro rata* according to the amounts paid upon the share during any portion or portions of the period in respect of which the dividend is paid; and
- dividends may be declared or paid in any currency.

The Board may agree with any member: (i) that dividends declared or due in one currency shall be paid or satisfied in another currency; (ii) the basis of conversion to be applied; (iii) how and when the amount to be paid in the other currency shall be calculated and paid; and (iv) whether the Company or any other person bears any costs involved.

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other monies payable to any person by the Company on or in respect of any share carries a right to interest from the Company.

The Restricted Voting Deferred Shares entitle the holders thereof to a non-cumulative dividend at a fixed rate of one per cent. of the nominal value thereof on the date six months after the end of each accounting period of the Company but confer no other right to share in the profits of the Company.

#### 5.1.6. *Distribution of assets on a winding up*

On a winding up of the Company, the Company's capital and assets will first be applied in repaying to the holders of Restricted Voting Deferred Shares the nominal value of those shares and the holders of Restricted Voting Deferred Shares will not be entitled to share in any surplus remaining thereafter in respect of such shares, with any such surplus to be shared amongst the holders of the Shares.

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

#### 5.1.7. *Reserves*

The Board may set aside out of the profits of the Company and carry to reserves such sums as the Board may decide which may, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested.

The Board may divide the reserves into such special funds as it decides and may consolidate into one fund any special funds or any parts of any special funds into which the reserves may have been divided. The Board may also carry forward any profits without carrying them to reserve. In carrying sums to reserves and in applying the same the Board shall comply with the provisions of the Statutes.

The Board will establish a reserve to be called the capital reserve and will either, at the discretion of the Board, carry to the credit of such reserve from time to time all capital profits or appreciations arising on the sale, realisation, repayment or revaluation of any investment or capital asset of the Company in excess of the book value thereof or apply the same in providing for depreciation or contingencies (which, for the avoidance of doubt, does not include accrued but unpaid interest or any sum received in respect of accrued but unpaid interest). Any losses realised on the sale, realisation, repayment or revaluation of any investment or capital asset and any other expenses, loss or liability (or provision thereof) considered by the Board to be of a capital nature may be carried to the debit of the capital reserve. Any increase or diminution in the amount of any index-linked stock or index-linked obligation of the Company may be carried to the debit or credit of the capital reserve with the whole or part of (i) the management fees incurred by the Company and (ii) any finance costs (including, without limitation, any interest payable by the Company in respect of any borrowings of the Company) may be deemed appropriate by the Board. All sums carried and standing to the credit of the capital reserve may be applied for any of the purposes permitted by the Statutes to which sums standing to any reserve created by the Board (as described above) are applicable (including, without limitation, in paying dividends).

#### 5.1.8. *Voting rights*

Notice of every general meeting of the Company shall be given to all members other than any who, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Company's auditors or, if more than one, each of them. At any general meeting, on a show of hands every holder of Shares who is present in person or by proxy shall have one vote and upon a poll every such holder of Shares present in person or by proxy shall have one vote in respect of each share held by him/her. Every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to. However, no member shall be entitled to exercise a vote at any general meeting (or class meeting) or exercise any other right conferred by membership in relation to any share unless all calls or other sums presently payable by him/her in respect of that share have been paid. Further, no member shall be entitled to exercise a vote at any general meeting in relation to any Shares if a member is in default of a notice under section 793 of the Companies Act, as described in paragraph 5.1.10 below. For so long as there are any other shares in issue in the capital of the Company, the Restricted Voting Deferred Shares have no entitlement to vote at general meetings of the Company.

#### 5.1.9. *Transfer of shares*

Subject to the restrictions in the Articles on the transfer of shares summarised in this paragraph 5.1:

- any member may transfer all or any of their uncertificated shares by means of a computer-based system and procedures which enable title to shares to be evidenced and transferred without a written instrument (for the purposes of this paragraph 5.1.9, a “**relevant system**”) in such manner provided for, and subject as provided in the CREST Regulations and rules of any relevant system. No provision of the Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred; and
- any member may transfer all or any of their certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and (except in the case of a fully paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of it. All instruments of transfer, when registered may be retained by the Company.

The Board may only refuse to register a transfer of an uncertificated share in the circumstances set out in the CREST Regulations, 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.

The Board may refuse to register any transfer of a certificated share which is not fully paid up, but in the case of a class of shares which has been 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. The Board may also refuse to register any transfer of a certified share if:

- the instrument of transfer is not left at the Company's registered office, or such other place as the Board may from time to time determine and for these purposes, sending a copy by electronic means (which, for the purposes of this paragraph 5.1, has the meaning given to it in section 1168 of the Companies Act) will not suffice;
- the instrument of transfer is not accompanied (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the intending transferor of his/her right to make the transfer;
- the instrument of transfer is in respect of more than one class of share;
- (if stamp duty is generally chargeable on transfers of certificated shares) the instrument of transfer is not duly stamped or adjudged or certified as not chargeable to stamp duty; and
- in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred exceeds four.

If the Board declines to register a transfer of a certificated share it shall, within two months after the date on which the instrument of transfer was lodged or, in the case of uncertificated shares, within two months after the date on which the relevant Operator-instruction is received, give notice to the transferee of the refusal.

No fee shall be charged by the Company for registering any transfer, document or instruction relating to or affecting the title to any shares or for making any other entry in the Register.

#### 5.1.10. *Restrictions on rights: failure to respond to a section 793 notice*

When the holder of a share or any person appearing to be interested in a share (a "**default share**") is given a section 793 notice and is in default for a period of fourteen days in supplying the Company with the information requested in the section 793 notice, the following restrictions on the rights relating to the default share(s) will apply for a period specified by the Board, being not more than seven days following the Company being notified that the identified shares have been sold pursuant to an exempt transfer; or due compliance, to the Board's satisfaction, with the section 793 notice:

- if the default share(s) represent less than 0.25 per cent. of the issued shares of the class, the holder of the default share(s) shall not be entitled, in respect of the default share(s), to attend or to vote, either personally or by proxy or by a corporate representative, at any general meeting of the Company; or
- if the default share(s) represent(s) not less than 0.25 per cent. of the issued shares of the class, the holder of the default share(s) shall not be entitled, in respect of the default share(s), to: (i) attend or to vote, either personally or by proxy by a corporate representative, at any general meeting of the Company; or (ii) receive any dividend or other distribution; or (iii) transfer or agree to transfer any of those shares or any rights in them.

The Board may waive the restrictions described above, in whole or in part, at any time and these restrictions will not prejudice the right of either the member holding the default share(s) or, if different, any person having a power of sale over the default share(s) to sell or agree to sell the default share(s) under an exempt transfer. The member will be entitled to receive any dividend or distribution withheld in respect of the default share(s) as soon as practicable after the restriction ceases to apply.

#### 5.1.11. *Untraced Shareholders*

All dividends or other sums payable on or in respect of any shares which remain unclaimed may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend unclaimed after a period of 12 years from the date that it was declared or became due for payment shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it.

If a payment for a dividend or other sum payable in respect of a share sent by the Company to the person entitled to it in accordance with the Articles is left uncashed or is returned to the Company (an “**Untraced Shareholder**”) and, after reasonable enquiries, the Company is unable to establish any new address or, with respect to a payment to be made by a funds transfer system, a new account, for the Untraced Shareholder such a payment is left uncashed or returned to the Company on two consecutive occasions the Company shall not be obliged to send any dividends or other sums payable in respect of that share to the Untraced Shareholder until they notify the Company of an address or, where the payment is to be made by a funds transfer system, details of the account, to be used for the purpose.

If the Revised Articles are adopted, the Company may, subject to various notice requirements, sell any shares in the Company on behalf of a shareholder if, during a period of at least 12 years prior to the date of publication of the Company sending a notice of its intention to sell to the relevant Shareholder, at least three dividends on such shares have become payable and no cheque or warrant or funds transfer for amounts payable in respect of dividends on those shares has been presented, encashed, settled or completed and no communication has been received by the Company from the Shareholder or person concerned.

#### 5.1.12. *General meetings*

The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Statutes. The Board may convene a general meeting whenever it thinks fit, subject to the requirements of the Companies Act and the Articles.

An Annual General Meeting will be called by at least 21 clear days’ written notice. Any other general meeting shall be called by at least 14 clear days’ written notice. As noted above, it was resolved by special resolution at the 2023 AGM that the period of notice required for general meetings of the Company (other than Annual General Meetings) shall be not less than 14 clear days. This authority will expire at the conclusion of the 2024 AGM, at which it is intended that a similar resolution will be proposed to renew this authority. The content of every notice calling an Annual General Meeting or general meeting shall conform to the requirements of the Statutes. Where the Company has given an electronic address in any notice of a general meeting, any document or information relating to proceedings at that general meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of general meeting.

Notice of every general meeting shall be given to all members of the Company other than any who, under the provisions of the Articles (such as the restrictions in relation to default shares, described at paragraph 5.1.10 above) or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors or, if more than one, each of them. The Company may determine that only those persons entered on the Register at the close of business on a day determined by the Company, such day being no more than 15 days before the day that notice of the meeting is sent, shall be entitled to receive such notice. The Company may specify in the notice of the general meeting a time, being not more than 48 hours prior to the time fixed for the meeting, as the voting record time for the meeting, such that changes on the Register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

The accidental omission (or failure due to circumstances beyond the Company’s control) to send a notice or any accompanying circular or the accidental omission to send any document, including an instrument of proxy, relating to any general meeting to, or the non-receipt of any such notice or document by, any person entitled to receive the notice or document shall not invalidate the proceedings at that general meeting.

No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum is present. Save as otherwise provided by the Articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Under the Articles, at any general meeting a resolution put to the vote of the general meeting shall be decided on a show of hands, unless (before, or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is properly demanded by: (i) the chairman of the general meeting; or (ii) at least two members present in person or by proxy having the right to vote; or (iii) a member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to attend and vote at the general meeting; or (iv) a member or members present in person or by proxy and holding shares conferring a right to attend and vote at the general meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sums paid up on all the shares conferring that right. A demand for a poll by a person as proxy shall be as valid as if the demand were made by the member themselves.

A Shareholder is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at any general meeting of the Company. A Shareholder may appoint more than one person as its proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the Shareholder. A proxy need not be a member of the Company.

The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or any adjourned meeting. The appointment of a proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

Subject to the Companies Act, any corporation (whether or not a company within the meaning of the Companies Act) which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. Where more than one person is authorised by the corporation the rights of such representatives to vote shall be determined in accordance with the Companies Act.

Each Director shall be entitled to attend and speak at any general meeting of the Company whether or not they are a member of the Company.

## **6. THE CITY CODE ON TAKEOVERS AND MERGERS**

### **6.1. Mandatory bid**

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

- (a) 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
- (b) 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, (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.

**6.2. 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.

**7. DISCLOSURES UNDER UK MAR**

The table below sets out a summary of the information disclosed by the Company under UK MAR over the 12 month period preceding the date of this Prospectus and which is relevant as at the date of this Prospectus.

<b>Date</b>	<b>Title of Announcement</b>	<b>Disclosure</b>
28 November 2023	Combination with Troy Income & Growth Trust plc	Announcement of agreement of heads of terms in connection with the Proposals

## 8. INTERESTS OF DIRECTORS, Prospective Directors, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### 8.1. Directors' and Prospective Directors' interests

As at 20 February 2024 and following the Issue, the interests (all of which are or will be beneficial unless otherwise stated) of the Directors and the Prospective Directors (together with their connected persons) in the issued Share capital of the Company are, or are estimated to be, as follows:

Director	Number of Shares as at 20 February 2024	Percentage of issued ordinary share capital as at 20 February 2024 (excluding Shares held in treasury) (%)	Estimated number of Shares following completion of the Issue	Estimated percentage of issued ordinary share capital following completion of the Issue* (%)
John Evans (Chairman)	50,000	0.056	50,000	0.034
Angus Cockburn	100,000	0.112	100,000	0.069
Gillian Elcock	Nil	Nil	Nil	Nil
Sarah Harvey	568	0.001	568	<0.001
Alexandra Innes	Nil	Nil	Nil	Nil
Mark Little	16,213	0.018	16,213	0.011
Bridget Guerin (Prospective Director)	20,339	0.023	29,373	0.020
Brigid Sutcliffe (Prospective Director)	Nil	Nil	16,289	0.011

\* Assuming the total issued ordinary share capital of the Company following completion of the Issue is 145,962,717 Shares (excluding Shares held in treasury) based on the illustrative calculations set out in paragraph 3 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus.

As at the date of this Prospectus, save as disclosed above, no Director or Prospective Director has any interest, whether beneficial or non-beneficial, in the Share or loan capital of the Company.

### 8.2. Directors' contracts with the Company

- 8.2.1. No Director has a service contract with the Company, nor are any such contracts proposed. Each Director has been, and each Prospective Director will be, appointed pursuant to a letter of appointment entered into with the Company.
- 8.2.2. The Directors' appointments can be, and the Prospective Directors' appointments will be capable of being, terminated in accordance with the Articles and without compensation and in accordance with the Companies Act or common law.
- 8.2.3. Under the Articles, the Directors are required to retire by rotation (as determined by the length of time since their respective election or re-election at a general meeting of the Company) or upon three years having passed since their election or re-election at a general meeting of the Company. Any such retiring Director may stand for re-election. Notwithstanding the provisions of the Articles, the Company's policy is that each Director is subject to annual re-election in accordance with the provisions of the AIC Code. This is also a requirement under each of the Directors' respective letter of appointment. The Board proposes that the Articles be amended to reflect this policy. If adopted, the Revised Articles will require all of the Directors to retire at each AGM (and, if they wish, to offer themselves for re-election). The Board believes that it is appropriate for a Director to serve up to nine years following their initial election and it is expected that Directors will stand down from the Board after that time. As noted above, Mark Little and Angus Cockburn will retire at the 2024 AGM, which is expected to be held in June 2024, and they will not stand for re-election.
- 8.2.4. Pursuant to their respective letters of appointment the Prospective Directors will initially be appointed subject to and with effect from the date of Admission. The Prospective Directors will retire and stand for election at the 2024 AGM.
- 8.2.5. The Articles provide that the office of Director may be terminated by, amongst other things: (i) resignation; (ii) the Director being prohibited by law from being a Director; (iii) unauthorised absences from meetings of the Board (whether or not an alternate Director



appointed by him/her attends) for six consecutive months and the Board resolving that the office is vacated; (iv) special resolution of the Company; or (v) by written notice delivered to the registered office of the Company or tendered at a meeting of the Board requesting the resignation of a Director by all of the other Directors.

- 8.2.6. As at the date of this Prospectus, John Evans, as Chairman of the Board, is entitled to receive £45,000 per annum, Mark Little, as chairman of the Audit and Risk Committee, is entitled to receive £35,000 per annum, Alexandra Innes, as Senior Independent Director, is entitled to receive £33,000 per annum and all other Directors are entitled to receive £30,000 per annum for their services as Directors of the Company. The Prospective Directors are expected to be remunerated on similar terms to the existing Directors with their remuneration on a *pro rata* basis.
- 8.2.7. At the Annual General Meeting held on 20 September 2023 it was resolved to increase the maximum aggregate annual remuneration of the Directors from £200,000 per annum to £250,000 per annum. The Directors will continue to be paid, and the Prospective Directors will be paid, in accordance with the Company's approved remuneration policy.
- 8.2.8. No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits for the Directors.

### 8.3. Directors' other interests

- 8.3.1. As at the date of this Prospectus, the Directors and Prospective Directors are, or have been during the five years preceding the date of this Prospectus, a director, member of the administrative, management or supervisory body or partner of the following companies and partnerships (other than the Company):

	Current directorships/partnerships/ memberships	Previous directorships/partnerships/ memberships
John Evans ( <i>Chairman</i> )	JPMorgan Mid Cap Investment Trust plc	CT UK High Income Trust plc Custodian Real Estate (Drop Holdings) Limited ( <i>in liquidation</i> ) Custodian Real Estate (Drop) Limited ( <i>in liquidation</i> )
Angus Cockburn	Ashtead Group Public Limited Company BAE Systems plc James Fisher and Sons Public Limited Company The Edrington Group Limited 45/47 Elgin Crescent Freehold Company Limited	Serco Group plc
Gillian Elcock	CFA Society of the UK International Biotechnology Trust plc Melrose Industries plc Octopus Apollo VCT plc	Denny Ellison Enterprises Limited Denny Ellison Investment Management Limited ( <i>dissolved</i> )
Sarah Harvey	S L Harvey Consulting Ltd	NHS Test and Trace Prodigy Finance Ltd VEYFI Ltd ( <i>dissolved</i> )

	Current directorships/partnerships/ memberships	Previous directorships/partnerships/ memberships
Alexandra Innes	Bank of England <sup>5</sup> Dowlais Group plc Facilities by ADF plc Knight Frank LLP Schroder Real Estate Investment Trust Limited Waverton Investment Management Group Limited Waverton Investment Management Limited 2023 Cycling World Championship Ltd	The All England Lawn Tennis Ground plc The All England Lawn Tennis Club (Championships) Limited The All England Lawn Tennis & Croquet Club Limited
Mark Little	abrdrn Equity Income Trust plc Blackrock Smaller Companies Trust plc Fidelity Emerging Markets Limited Fullarton ML Limited Majedie Investments plc	Sanditon Investment Trust PLC ( <i>in liquidation</i> ) UWI Technology Limited
Bridget Guerin (Prospective Director)	Beverley Race Company Limited Invesco Perpetual UK Smaller Companies Investment Trust plc Mobeus Income & Growth VCT plc Troy Income & Growth Trust plc York Racecourse Knavesmire LLP York Racecourse Limited York Racecourse Pension Fund	Cantab Capital LTIP Limited ( <i>dissolved</i> ) Charles Stanley & Co. Limited Miton UK MicroCap Trust plc Raymond James Wealth Management Limited ( <i>formerly named Charles Stanley Group plc</i> ) Schroder Income Growth Fund plc
Brigid Sutcliffe (Prospective Director)	Muscular Dystrophy Group of Great Britain and Northern Ireland Strategic Equity Capital plc Troy Income & Growth Trust plc Forbes Kemlo Ltd ( <i>dormant</i> )	BRE Group Limited The Co-operative Development Society Limited NPL Management Limited

8.3.1. John Evans was a director of Custodian Real Estate (Drop Holdings) Limited (formerly named *Drum Income Plus REIT plc*) and Custodian Real Estate (Drop) Limited, both of which were placed into voluntary liquidation approved by shareholders on 21 December 2022.

8.3.2. Sarah Harvey was a director of VEYFI Ltd, a company that was placed into a voluntary strike-off process, approved by the company's directors on 9 February 2020, and dissolved on 22 September 2020.

8.3.3. Mark Little was a director of Sanditon Investment Trust plc, a company that was placed into voluntary liquidation approved by shareholders on 5 December 2019.

8.3.4. Gillian Elcock was a director of Denny Ellison Investment Management Limited, a company that was placed into a compulsory strike off process on 18 January 2022, which was subsequently discontinued on 26 February 2022. Denny Ellison Investment Management Limited was placed into a voluntary strike-off process, approved by the company's director on 20 April 2022, and dissolved on 23 August 2022.

<sup>5</sup> As at the date of this Prospectus Alexandra Innes is a non-executive committee member of the Bank of England's SONIA Oversight Committee and SONIA Stakeholder Advisory Group.

- 8.3.5. Bridget Guerin was a director of Cantab Capital LTIP Limited, a company that was placed into a voluntary strike-off process, approved by the company's director on 28 June 2019, and dissolved on 8 October 2019.
- 8.3.6. As at the date of this Prospectus there are no potential conflicts of interest between any of the Directors' or the Prospective Directors' duties to the Company and their private interests and/or other duties.
- 8.3.7. There are no lock-up provisions regarding the disposal by any of the Directors or Prospective Directors of any Shares.
- 8.3.8. Save as disclosed in this Prospectus, in the five years before the date of this Prospectus, the Directors and the Prospective Directors:
- (a) do not have any convictions in relation to fraudulent offences;
  - (b) have not been associated with any bankruptcies, receiverships or liquidations 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
  - (c) do not have 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 administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 8.3.9. The Company shall maintain directors' and officers' liability insurance on behalf of the Directors and Prospective Directors at the expense of the Company.

#### 8.4. Major Shareholders

- 8.4.1. As at close of business on 20 February 2024, being the latest practicable date prior to the publication of this Prospectus, other than as set out below, there are no persons known to the Company who, directly or indirectly, are interested in three per cent. or more of the Company's issued Share capital or voting rights.

Shareholder	Number of Shares	Percentage of issued Share capital (%)
Rathbones Investment Management	12,756,982	14.2
D. C. Thomson & Company Limited	2,900,000	3.2

- 8.4.2. None of the Shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares. So far as is known to the Company, as at the date of this Prospectus, the Company will not, immediately following the Issue, be directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.

#### 8.5. Related party transactions

As referred to in paragraph 2.1 of Part 3 of this Prospectus, the Investment Manager has agreed to make the Ongoing Cost Contribution (being a contribution to the costs associated with the AIFM's provision of company secretarial and administration services to the Company) under the Investment Management Delegation Agreement. The Company, the AIFM and the Investment Manager have agreed, in respect of the 12 month period ending on 31 October 2024 only, that: (i) the requirement of the Investment Manager to make the Ongoing Cost Contribution be waived; and (ii) in order to ensure the costs of this waiver are not borne by the Company, there be a corresponding waiver (reduction) of fees payable by the Company to the AIFM under the terms of the Secretarial and Administration Agreement of £150,000. This agreement is documented in a side letter to both the Investment Management Delegation Agreement and the Secretarial and Administration Agreement (and so agreed to by each of the Company, the AIFM and the Investment Manager) dated 20 February 2024.

Save as described above and for payment of fees and expenses to (i) the AIFM pursuant to the Investment Management Agreement and (ii) the Investment Manager pursuant to the Investment Management Delegation Agreement, which is summarised in paragraph 11.2 of this Part 7, the Company has not entered into any related party transaction (within the meaning of UK-adopted international accounting standards) at any time during the period from 30 September 2023 to the date of publication of this Prospectus.

## **8.6. Other material interests**

8.6.1. The AIFM and the Investment Manager, any of their respective 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, may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company.

8.6.2. 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, the AIFM and the Investment Manager, any of their respective 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 may (subject to any restrictions contained in any relevant management agreement) acquire on behalf of a client an investment in which the Company may also invest.

## **9. SHARE OPTIONS AND SHARE SCHEME ARRANGEMENTS**

No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

## **10. OTHER INVESTMENT RESTRICTIONS**

10.1. The Company will at all times invest and manage its assets with the objective of spreading investment risk and in accordance with its published investment policy and the investment restrictions set out therein. The Company's current investment policy is set out in paragraph 3 of Part 1 (*The Company*) of this Prospectus.

10.2. In the event of a material breach of the investment policy and/or restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Investment Manager through a RIS announcement.

## **11. 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.

### **11.1. Investment Management Agreement**

The Company entered into the Investment Management Agreement with the AIFM on 16 September 2020 and the agreement, pursuant to a side letter dated 16 October 2020, came into force on 12 November 2020. Under the terms of the Investment Management Agreement, the AIFM has been appointed by the Company to provide discretionary portfolio and risk management services to the Company in accordance with the Company's investment objective and policy, and subject to the overall supervision of the Directors and the investment guidelines laid down by the Board from time to time. Pursuant to the Investment Management Delegation Agreement, the AIFM has, with the Board's consent, formally sub-delegated day-to-day management of the Portfolio to the Investment Manager.

The annual management fee payable to the AIFM by the Company is currently 0.015 per cent. of net assets, subject to a minimum annual fee (in respect of the financial year ending 31 March 2024) of £71,000 (the "**AIFM Fee**"), in each case exclusive of VAT. The AIFM Fee is payable monthly in arrears. In addition, an annual fee of £7,000 (in respect of the financial year ending 31 March 2024) is payable to the AIFM for its services in relation to the production of the Company's key information document in accordance with the UK PRIIPs Laws (the "**PRIIPs Fee**") (exclusive of VAT). The PRIIPs Fee is payable

annually in arrears. The minimum values of each of the AIFM Fee and the PRIIPs Fee are adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March. Subject to certain exclusions, the AIFM is also entitled to reimbursement of all out-of-pocket expenses properly and reasonably incurred by the AIFM on behalf of the Company in connection with or incidental to the affairs of the Company.

The Investment Management Agreement is terminable by:

- (a) either party on six months' written notice;
- (b) the Company on less than six months' written notice provided that (unless the AIFM's appointment is terminated under limbs (e) or (f) below) the Company pays compensation to the AIFM for such early termination equal to the amount of fees the AIFM would have received for the number of days by which the notice given is less than 182 days;
- (c) the AIFM in the event that the Company notifies the AIFM of an intended breach or change to any value of the agreed AIFMD thresholds or profiles, subject to certain conditions, with effect from the earlier of a replacement alternative investment fund manager being appointed or the Business Day prior to the effective date of such intended breach or change or, as the case may be, such adjusted values being disclosed by the Company;
- (d) the AIFM immediately in the event of the Company failing to agree to a proposed change, that is required by the FCA, to any value of the agreed AIFMD thresholds or profiles within a reasonable time;
- (e) either party immediately in the event of certain market standard triggers including: (i) certain insolvency events affecting the other party, (ii) the other party (or any of its representatives) being guilty of any serious misconduct, negligence, wilful default or fraud in connection with the performance of its duties under the Investment Management Agreement, (iii) where the other party commits a material breach of its obligations under the Investment Management Agreement (and, where such a breach is remediable and not a repeated breach, the material breach is not remedied to the satisfaction of the non-defaulting party within 21 days of receipt of notice of such a breach), and (iv) if the Company is the subject of any reconstruction or amalgamation following a failed continuation vote and/or the Company is wound up, liquidated or dissolved; and
- (f) the Company immediately in the event of certain market standard triggers including: (i) the AIFM ceasing to maintain relevant regulatory permissions, (ii) the AIFM or any of its associates (or any of their representatives) being involved in any conduct which is materially prejudicial to the interests of the Company, (iii) the Company ceasing to satisfy, or ceasing to be capable of satisfying, the conditions for approval as an investment trust by reason of the negligence or wilful default of the AIFM or its representatives and (iv) where, as a result of an investigation of the Company or the AIFM by the FCA, the AIFM is the subject of an adverse finding in writing relating to its control systems or other significant aspect of its business which might reasonably be expected by an objective customer retaining the services of a reputable investment manager to have a materially adverse effect on the Company's business or reputation.

The Investment Management Agreement contains customary indemnities given by the Company in favour of the AIFM and given by the AIFM in favour of the Company.

The Investment Management Agreement is governed by Scots law.

## **11.2. Investment Management Delegation Agreement**

The Company entered into the Investment Management Delegation Agreement with the AIFM and the Investment Manager on 16 September 2020 and the agreement, pursuant to a side letter dated 16 October 2020, came into force on 12 November 2020. Pursuant to the Investment Management Delegation Agreement, the AIFM has delegated the day-to-day management of the Company's portfolio to the Investment Manager. Under the terms of the Investment Management Delegation Agreement, the Investment Manager manages the Portfolio and the Company's investments in accordance with the Company's investment objective and policy, and subject to the overall supervision of the Directors and the investment guidelines laid down by the Board from time to time.

The annual management fee payable to the Investment Manager by the Company pursuant to the Investment Management Delegation Agreement is currently 0.65 per cent. of net assets up to £750 million, 0.55 per cent. of net assets between £750 million and £1 billion and 0.50 per cent. of net assets in excess of £1 billion. Such management fees are calculated and payable quarterly in arrears.

As part of the Proposals, the Investment Manager has agreed that, subject to the implementation of the Scheme and with effect from the date of Admission, the annual management fees payable by the Enlarged Company under the Investment Management Delegation Agreement will be reduced to those currently payable to TIGT (the “**New Fee Arrangements**”). Therefore, under the New Fee Arrangements the annual management fee payable by the Company to the Investment Manager will be equal to 0.55 per cent. of net assets up to and including £250 million and 0.50 per cent. of net assets in excess of £250 million.

Pursuant to the Investment Management Delegation Agreement, the Investment Manager has agreed to contribute annually to the fees payable by the Company to the AIFM for company secretarial and administrative services in any calendar year (the “**Ongoing Cost Contribution**”). The value of the Ongoing Cost Contribution is equal to the lower of (i) the aggregate fees payable to the AIFM by the Company for company secretarial and administrative services; and (ii) £150,000. The Company and the AIFM have agreed, pursuant to the Investment Management Delegation Agreement, that they will not amend, or agree to amend, such fees due to the AIFM without the prior consent of the Investment Manager (such consent not to be unreasonably withheld). As noted in paragraph 8.5 of this Part 7, the requirement to make the Ongoing Cost Contribution has been waived in respect of the 12 month period ending on 31 October 2024 (and the AIFM is making a corresponding reduction of £150,000 to the fees it charges the Company for the provision of company secretarial and administrative services in respect of this period too).

The Investment Management Delegation Agreement is terminable by:

- (a) any party on six months’ written notice;
- (b) the Company or the AIFM at any time by giving to the Investment Manager less than six months’ written notice provided that (unless the Investment Manager’s appointment is terminated under limbs (c) or (d) below) the Company pays compensation to the Investment Manager for such early termination equal to the amount of fees the Investment Manager would have received for the number of days by which the notice given is less than six months;
- (c) any party immediately in the event of certain market standard triggers including: (i) certain insolvency events affecting another party, (ii) another party’s key employees committing a material breach of the rules and regulations of the UK regulatory system, (iii) where another party commits a material breach (or persistent breaches) of the Investment Management Delegation Agreement which is or are incapable of remedy or have not been remedied by the defaulting party within 30 days of receipt of notice requiring it to remedy the same) and (iv) another party being guilty of any negligence, wilful deceit or fraud in connection with the performance of its duties under the Investment Management Delegation Agreement; and
- (d) by the Company and the AIFM immediately in the event of certain market standard triggers including: (i) James Harries, the lead investment manager of the Company, ceasing to be an employee of the Investment Manager and (ii) the Investment Manager undergoing a change in control (other than the existing employees and directors increasing their ownership) or change in corporate structure which may reasonably be expected to be materially prejudicial to the Company’s interests, in each case without the Company’s prior consent.

The Investment Management Delegation Agreement contains customary indemnities given by the Company and the AIFM in favour of the Investment Manager and given by the Investment Manager in favour of the Company and the AIFM.

The Investment Manager has agreed, pursuant to the Investment Management Delegation Agreement, not to advise or manage any other closed-ended investment company which is also a member of the AIC Global Equity Income Sector without the prior written consent of the Board.

The Investment Management Delegation Agreement is governed by Scots law.

### 11.3. Secretarial and Administration Agreement

Corporate secretarial and general administration services are provided by the AIFM pursuant to the Secretarial and Administration Agreement. The Company entered into the Secretarial and Administration Agreement with the AIFM on 16 September 2020 and the agreement, pursuant to a side letter dated 16 October 2020, came into force on 12 November 2020.

In consideration for the performance of such corporate secretarial and general administration services, the Secretarial and Administration Agreement provides that the AIFM is entitled to an annual fee (exclusive of VAT) of £100,000 plus an amount equal to the aggregate of: (i) 0.1 per cent. of net assets between £50 million and £100 million; (ii) 0.03 per cent. of net assets between £100 million and £250 million; (iii) 0.2 per cent. of net assets between £250 million and £1 billion; and (iv) 0.01 per cent. of net assets in excess of £1 billion.

The Company's discount control mechanism ("**DCM**") is also operated by the AIFM pursuant to the Secretarial and Administration Agreement. In consideration for such services, the Company will pay the AIFM a fee equal to, at the Company's election, either:

- (a) £94,000 per annum (adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March); or
- (b) the aggregate of £35,000 per annum (adjusted annually by the increase in the CPI over the preceding 12 month period to 31 March) plus the lower of: (i) a charge of £250 per transaction undertaken in accordance with the DCM; or (ii) a commission of 0.1 per cent. of the aggregate proceeds of any Share issues or buybacks by the Company in the period (excluding any corporate action undertaken by the Company not within the scope of the DCM),

in either case exclusive of VAT. In respect of the financial year ending on 31 March 2024 the Company has elected to calculate Juniper Partners' fees for operating the DCM using the methodology set in subparagraph (b) above. As noted above, the Investment Manager has agreed, pursuant to the Investment Management Delegation Agreement, to make the Ongoing Cost Contribution in respect of the fees payable by the Company to the AIFM for company secretarial and administration services (save, as noted in paragraph 8.5 of this Part 7, that in connection with the temporary waiver of the Ongoing Cost Contribution, and in respect of the 12 month period ending on 31 October 2024 only, the AIFM has agreed to reduce its fees for such services by £150,000).

Subject to certain exclusions, the AIFM is also entitled to reimbursement of all out-of-pocket expenses properly and reasonably incurred by the AIFM on behalf of the Company in connection with or incidental to the affairs of the Company.

The Secretarial and Administration Agreement is terminable by:

- (a) either party on six months' written notice;
- (b) the Company at any time by giving to the AIFM less than six months' written notice provided that (unless the Investment Manager's appointment is terminated under limb (c) below) the Company pays compensation to the AIFM for such early termination equal to the amount of fees the AIFM would have received for the number of days by which the notice given is less than six months; and
- (c) either party immediately in the event of certain market standard triggers including: (i) certain insolvency events affecting the other party (except a voluntary liquidation for the purpose of reconstruction or amalgamation (the terms of such, in the case of the AIFM, having been previously approved by the Company (such approval not to be unreasonably withheld or delayed))) and (ii) the other party committing any material breach of its obligations under the Secretarial and Administration Agreement (and, where such a breach is remediable and not a repeated breach, the material breach is not remedied within 30 days of receipt of notice of such a breach).

The Secretarial and Administration Agreement contains customary indemnities given by the Company in favour of the AIFM and given by the AIFM in favour of the Company.

The Secretarial and Administration Agreement is governed by Scots law.

#### 11.4. Depositary Agreement

The Depositary Agreement is dated 6 November 2020 and entered into between the Company, the AIFM and J.P. Morgan Europe Limited (the “**Depositary**”). Pursuant to the Depositary Agreement, the Depositary is appointed to act as custodian and depositary of the Company. The Depositary performs the customary services of a depositary in accordance with, *inter alia*, the UK AIFMD Laws. These services include cash flow monitoring, safekeeping of assets and general oversight of the Portfolio. The Depositary may delegate its obligations in respect of the safekeeping of, and asset verification functions in relation to, the Company’s investments to third parties (including JPMorgan Chase Bank, N.A., London Branch (the “**Custodian**”)), subject to the UK AIFMD Laws and certain conditions stipulated in the Depositary Agreement. As set out in paragraph 11.5 of this Part 7, the Depositary has sub-delegated the provision of custodial services to the Custodian.

The annual fee payable to the Depositary under the Depositary Agreement (as supplemented by the Depositary and Custodian Fee Agreement) is equal to 0.0125 per cent. of the Company’s Net Asset Value up to and including £500 million and 0.0075 per cent. of the Company’s Net Asset Value in excess of £500 million, subject to a minimum annual fee of £25,000 per annum. Such fees are calculated and payable monthly in arrears. The Depositary is also entitled to reimbursement of reasonable out-of-pocket or incidental expenses incurred in connection with the provision of services under the Depositary Agreement, with the exception of the fees of sub-custodians within the Depositary’s regular sub-custody network which will be borne by the Depositary.

The Depositary Agreement contains customary warranties given by the Company, the Depositary and the AIFM. The Depositary Agreement also contains customary indemnities given by the Company in favour of the Depositary, Custodian, its sub-custodians, affiliates and their respective nominees, directors, officers, employees and agents engaged in the provision of services under the Depositary Agreement.

The Depositary Agreement may be terminated by any of the parties on 90 days’ written notice (or such shorter notice period as the parties may agree) or by one party immediately in certain circumstances, such as by the Depositary where it (in its sole discretion) determines, acting in good faith, that the Company’s investments are not sufficiently protected. The Depositary Agreement may also be terminated immediately by a party giving notice in writing to any other in the event that a party’s shares are suspended from trading on an exchange on which they are listed and in the event of certain market standard triggers, including if an order has been made or an effective resolution passed for the winding-up or liquidation of the other party.

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

#### 11.5. The Global Custody Agreement

In accordance with the terms of the Depositary Agreement, the Depositary has delegated its safe keeping function to the Custodian pursuant to the Global Custody Agreement entered into by the Custodian, the Depositary and the Company dated 9 November 2020. Pursuant to the terms of the Global Custody Agreement, the Custodian provides custodial, settlement, asset servicing and other associated services to the Company.

Pursuant to the terms of the Global Custody Agreement (as supplemented by the Depositary and Custodian Fee Agreement), the Custodian is entitled to safekeeping fees and transaction fees which vary according to the value and location of the Company’s assets, and the number and jurisdiction of transactions entered into, respectively, subject to a minimum fee of £15,000 per annum for its role as the Company’s custodian.

Under the terms of the Global Custody Agreement the Custodian is authorised to act through, and hold the Company’s securities with, sub-custodians. The Custodian will exercise all due skill, care and diligence in the selection, monitoring and continued appointment of sub-custodians. The Custodian will remain liable for direct liabilities incurred by the Company that result from the failure of a sub-custodian to use reasonable care in the provision of custodial services by it in accordance with the standards prevailing in the relevant market or from the fraud or wilful default of such sub-custodian in the provision of custodial services by it or the insolvency of any affiliated sub-custodian.



The Global Custody Agreement also contains customary indemnities given by the Company in favour of the Custodian and its affiliates, sub-custodians and their respective nominees, directors, officers, employees and agents.

The Company may terminate the Global Custody Agreement by giving not less than 60 days' written notice to the Depositary and the Custodian. The Depositary may terminate the Global Custody Agreement on 180 days' prior written notice to the Company and the Custodian. Either the Depositary or the Custodian may terminate the Global Custody Agreement on 60 days' prior written notice to the Company and the Custodian or the Depositary (as applicable) in the event that the Custodian reasonably determines the Company has ceased to satisfy the Custodian's customary credit requirements or providing services to the Company raises reputational or regulatory concerns. The Global Custody Agreement may also be terminated immediately in certain circumstances and the agreement will terminate automatically upon the termination of the Depositary Agreement.

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

#### **11.6. Registrar Agreement**

Link Market Services Limited (the "**Registrar**") has been appointed as the Company's registrar pursuant to the Registrar Agreement. Pursuant to the Registrar Agreement the Registrar is entitled to an annual base fee of £54,000 (exclusive of VAT) plus additional fees for certain meeting or Register related services. The Registrar is responsible for, amongst other things, the maintenance of the Register and for the transfer and settlement of Shares, as applicable.

The Registrar Agreement may be terminated by either party: (i) on six months' prior written notice (such notice not to expire prior to 1 October of each year); (ii) with three months' written notice should the parties not reach an agreement regarding any increase of fees above the retail price index as a result of a change in regulatory requirements applicable to the Registrar's services under the agreement; (iii) upon the other party committing a material breach of its obligations under the Registrar Agreement and failing to remedy such breach within 45 days of receipt of written notice from the non-defaulting party requiring the other party to remedy the breach; or (iv) certain insolvency events affecting the other party which are typical for an agreement of this nature.

The Registrar Agreement contains certain customary indemnities given by the Company in favour of the Registrar.

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

#### **11.7. Revolving Credit Facilities Agreement**

The Company originally entered into the Revolving Credit Facilities Agreement with Royal Bank of Scotland International Limited, London Branch ("**RBSI**") on 19 September 2016. As last amended and restated on 19 September 2023, the Revolving Credit Facilities Agreement makes available a multicurrency revolving loan facility of up to £20 million (the "**Revolving Credit Facility**"), with the option for further drawdowns of up to £5 million (the additional facility or tranche of such facility being the "**Accordion Facility**") for use in connection with the general investment activities associated with the Company's business. The amounts drawn down under the Revolving Credit Facility are unsecured. The final maturity date is 19 September 2026.

In respect of the Revolving Credit Facility, interest on (a) compounded rate loans (i.e. drawings in sterling and US dollars) is the aggregate of the daily non-cumulative compounded risk-free rate for the relevant currency; and a margin of 1.55 per cent. per annum; and (b) a margin of 1.55 per cent. per annum and interest on term rate loans (i.e. drawings in euros) is the aggregate of EURIBOR and a margin of 1.55 per cent. per annum.

Pursuant to the terms of the Revolving Credit Facilities Agreement, the Company has the option to request an increase in the level of the total commitment from £20 million to no more than £25 million during the availability period but not more than twice in one calendar year. RBSI has sole discretion as to whether to agree to that increase and the terms (including the margin) upon which the Accordion Facility is provided.

As at 20 February 2024, the commitment under the Revolving Credit Facilities Agreement has not been cancelled or terminated, or increased under the Accordion Facility. The Revolving Credit Facility amount has been drawn in the following currency split: £1,500,000; €4,500,000; and US\$12,750,000.

An arrangement fee of £50,000 was payable to RBSI in connection with the Revolving Credit Facilities Agreement. A commitment fee of 0.55 per cent. per annum on the undrawn available Revolving Credit Facility is also payable quarterly whilst the Revolving Credit Facility is available.

The Revolving Credit Facilities Agreement contains customary representations and warranties given by the Company in favour of RBSI.

The Revolving Credit Facilities Agreement is governed by the laws of England and Wales.

#### **11.8. Receiving Agent Agreement**

The Company and Link Market Services Limited (“**Link Group**” or the “**Receiving Agent**”) have entered into the Receiving Agent Agreement dated 9 February 2024, pursuant to which Link Group has been appointed as receiving agent to the Company for the purposes of the Issue.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fixed fee for its services. The Receiving Agent is also entitled to reimbursement of reasonable out-of-pocket expenses incurred in connection with the provision of services under the Receiving Agent Agreement.

The Receiving Agent Agreement may be terminated by either party in certain customary circumstances.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agents potential losses in carrying on its responsibilities under the Receiving Agent Agreement.

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

#### **11.9. Sponsor Agreement**

The Company, the Investment Manager and J.P. Morgan Cazenove entered into the Sponsor Agreement dated 20 February 2024. Pursuant to the Sponsor Agreement, the Company has appointed J.P. Morgan Cazenove as sponsor in connection with the Proposals.

The Sponsor Agreement may be terminated by the Sponsor in certain customary circumstances, including prior to Admission. The obligation of the Sponsor to provide services under the Sponsor Agreement is conditional upon certain conditions that are customary for agreements of this nature, including those listed in paragraph 4 of Part 4 (*Details of the Scheme and the Issue*) of this Prospectus. The Company will pay the Sponsor a sponsor, financial adviser and corporate finance fee in connection with the Sponsor’s appointment, and the Sponsor will also be entitled to reimbursement of all costs, charges and expenses (including legal fees) which it incurs in connection with the Issue, the Scheme and Admission.

The Company and the Investment Manager have given certain warranties and indemnities in favour of the Sponsor. These warranties and indemnities given by the Company and the Investment Manager are customary for an agreement of this nature.

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

#### **11.10. Transfer Agreement**

The Company, TIGT and the Liquidators will enter into the Transfer Agreement on or around the Effective Date, which is expected to be 27 March 2024, pursuant to which the undertaking, cash and assets of TIGT comprising the Rollover Pool will be transferred to the Company in consideration for the issue by the Company of the New Shares to the Liquidators (as nominees for TIGT Shareholders), who have agreed to renounce their entitlement to the New Shares in favour of such TIGT Shareholders who are to receive New Shares pursuant to the Scheme.

Completion of the transfer of the undertaking, cash and assets of TIGT comprised in the Rollover Pool shall take place on the date of satisfaction of the Scheme Conditions or as soon as practicable thereafter.

Upon or as soon as practicable following completion of the transfer, in respect of the transfer of any undertaking and assets of TIGT pursuant to the Transfer Agreement, TIGT acting by the Liquidators, at the Company's risk, shall:

- (a) deliver to the Company, or as it may direct, duly executed transfers in favour of the Company in respect of all shares, securities and other assets comprised in the Rollover Pool which pass by transfer, together with the relevant certificates or other documents of title relating thereto (to the extent these are in TIGT's possession or control);
- (b) procure and deliver to the Company, or as it may direct, copies of any consents, licences and approvals necessary to transfer the assets comprised in the Rollover Pool (to the extent these are in TIGT's possession or control);
- (c) deliver to the Company, or as it may direct, all bearer instruments and other assets comprised in the Rollover Pool which pass by delivery; and
- (d) promptly give instructions to any person, company or other undertaking holding any part of the assets comprised in the Rollover Pool as nominee or on trust for TIGT or its nominee requiring such person, company or other undertaking to transfer such assets to, or to execute a declaration of nomineehip or trust in favour of, the Company and/or as the Company may direct.

Under the terms of the Transfer Agreement, nothing in the Scheme or in any document executed under or in connection with the Scheme will impose personal liability on the Liquidators or any of them (save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties) and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of the Company.

The Transfer Agreement will be governed by the laws of England and Wales.

The parties to the Transfer Agreement have entered into irrevocable undertakings to enter into the Transfer Agreement on the Effective Date.

## **12. LITIGATION**

During the 12 month period prior to the date of this Prospectus there have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, which may have, or have had, in the recent past, a significant effect on the Company and/or the financial position or profitability of the Company.

## **13. THIRD PARTY INFORMATION AND CONSENTS**

- 13.1. 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.
- 13.2. The Sponsor has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 13.3. The AIFM and the Investment Manager have given and not withdrawn their written consent to the inclusion in this Prospectus of references to their names in the form and context in which they appear.
- 13.4. The AIFM and the Investment Manager accept responsibility for the information and opinions contained in this Prospectus relating to them and all statements made by them. To the best of the knowledge of the AIFM and the Investment Manager, as applicable, the information contained in this Prospectus related to or attributed to the AIFM and/or the Investment Manager, as applicable, and their affiliates is in accordance with the facts and such parts of this Prospectus make no omission likely to affect their import. In particular, the AIFM accepts responsibility for the information contained in (a) paragraph 9 of Part 1 (*The Company*) of this Prospectus; (b)

paragraph 3 of Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; (c) paragraph 2.1 of Part 3 (*Directors, Management and Administration of the Company*) of this Prospectus; and (d) any other information or opinion related to or attributed to the AIFM or to any of its affiliates contained within this Prospectus. The Investment Manager accepts responsibility for the information and opinions contained in (a) paragraphs 1, 2 and 5 of Part 2 (*Market Outlook, Investment Strategy and Investment Portfolio*) of this Prospectus; and (b) any other information or opinion related to or attributed to the Investment Manager contained within this Prospectus.

#### **14. PROFILE OF TYPICAL INVESTORS**

The Directors and the Prospective Directors believe that the Company's Shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking rising income and long-term capital growth through investment in a balanced portfolio constructed from global quoted equities, and who understand and are willing to accept the risks of exposure to equities and who view their investment in the Company as long-term in nature.

#### **15. GENERAL MEETING**

The Company will publish the Circular on or around the date of this Prospectus. The notice of General Meeting which is included in the Circular sets out in full the Resolutions to be tabled at the General Meeting of the Company to be held at 3.00 p.m. on 13 March 2024.

#### **16. DOCUMENTS ON DISPLAY**

16.1. The following documents will be available for inspection at the Company's website [www.stsplc.co.uk](http://www.stsplc.co.uk) from the date of this Prospectus until the date of Admission:

16.1.1. this Prospectus dated 23 February 2024;

16.1.2. the 2022 Annual Report;

16.1.3. the 2023 Annual Report;

16.1.4. the 2022 Interim Report;

16.1.5. the 2023 Interim Report;

16.1.6. the Company's Existing Articles and the Revised Articles; and

16.1.7. the notice of General Meeting.

16.2. In addition, a copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>.

## PART 8

### DEFINITIONS

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

<b>2022 Annual Report</b>	the audited annual report and financial statements of the Company for the financial year ended 31 March 2022
<b>2022 Interim Report</b>	the Company's unaudited interim report for the six-month period ended 30 September 2022
<b>2023 Annual Report</b>	the audited annual report and financial statements of the Company for the financial year ended 31 March 2023
<b>2023 Interim Report</b>	the Company's unaudited interim report for the six-month period ended 30 September 2023
<b>2023 AGM</b>	the AGM held on 20 September 2023
<b>2024 AGM</b>	the AGM to be held in 2024
<b>"A" rights</b>	the rights attaching to Reclassified TIGT Shares in respect of which the holders are deemed to have made valid Elections for the Rollover Option
<b>Accordion Facility</b>	the facility or any tranche of such facility that can be made available to the Company by RBSI (at its discretion) pursuant to the terms of the Revolving Credit Facilities Agreement to increase the total commitment under the Revolving Credit Facilities Agreement up to £25 million
<b>Acquisition Costs</b>	the costs and expenses of any stamp duty or similar transaction tax to be incurred by the Company for the acquisition of the Rollover Pool
<b>Admission</b>	the admission of the New Shares to be issued pursuant to the Issue to listing on the premium segment of the Official List and to trading on the Main Market
<b>Admission Fees</b>	the London Stock Exchange listing fees in respect of Admission
<b>AGM or Annual General Meeting</b>	an annual general meeting of the Company
<b>AIC</b>	the Association of Investment Companies
<b>AIC Code</b>	the 2019 AIC Code of Corporate Governance, as revised or updated from time to time
<b>AIFM or Company Secretary or Juniper Partners</b>	Juniper Partners Limited, a private limited company incorporated and registered in Scotland with registered number SC366565 and having its registered office at 28 Walker Street, Edinburgh EH3 7HR
<b>alternative investment fund manager</b>	an alternative investment fund manager, as defined under the UK AIFMD Laws
<b>Articles</b>	the articles of association of the Company, as amended from time to time

<b>Audit and Risk Committee</b>	the committee of this name established by the Board and having the duties described in paragraph 3.2 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>Auditor or EY</b>	Ernst & Young LLP, a limited liability partnership incorporated and registered in England and Wales with registered number OC300001 and having its registered office at 1 More London Place, London SE1 2AF
<b>Australia</b>	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
<b>“B” rights</b>	the rights attaching to Reclassified TIGT Shares in respect of which the holders have made, or are deemed to have made, valid Elections for the Cash Option
<b>Benchmark Index</b>	Lipper Global – Equity Global Income Index
<b>Board</b>	the board of Directors of the Company, including any duly constituted committee thereof
<b>Business Day</b>	a day on which the London Stock Exchange is open for business
<b>Calculation Date</b>	the time and date to be determined by the TIGT Board (but expected to be Market Close on 21 March 2024) at which the value of TIGT’s assets and liabilities will be determined for the purpose of creating the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the TIGT NAV, the Cash NAV per TIGT Share, the Cash Pool NAV, the TIGT FAV, the TIGT FAV per Share and the STS FAV per Share will be calculated for the purposes of the Scheme
<b>Canada</b>	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
<b>Cash Entitlement</b>	in respect of any TIGT Shareholder who validly elects, or is deemed to have elected, for the Cash Option, an amount equal to such TIGT Shareholder’s proportional entitlement to the Cash Pool pursuant to the Scheme
<b>Cash NAV per TIGT Share</b>	the TIGT NAV divided by TIGT’s issued share capital (excluding TIGT Shares held in treasury) as at the Calculation Date less the Cash Option Discount (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>Cash Option</b>	the option for TIGT Shareholders to receive cash under the terms of the Scheme
<b>Cash Option Discount</b>	a discount of 2 per cent. to the TIGT NAV, on a per share basis, at which the Cash Option is being offered under the Scheme
<b>Cash Pool</b>	the fund comprising the pool of TIGT’s assets attributable to the Reclassified TIGT Shares with “B” rights
<b>Cash Pool NAV</b>	the Cash NAV per TIGT Share multiplied by the total number of Reclassified TIGT Shares with “B” rights

<b>certificated or in certificated form</b>	a share or other security which is not in uncertificated form
<b>Chairman</b>	the chairman of the Board
<b>Circular</b>	the Shareholder circular relating to the General Meeting and the Resolutions, issued by the Company on or around the date of this Prospectus
<b>Common Reporting Standard or CRS</b>	the global standard for the automatic exchange of financial information between tax authorities developed by the OECD
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time
<b>Company or STS</b>	STS Global Income & Growth Trust plc, a public limited company incorporated and registered in Scotland with registered number SC283272 and having its registered office at 28 Walker Street, Edinburgh EH3 7HR
<b>Corporation Tax Act</b>	the Corporation Tax Act 2010, as amended from time to time
<b>CPI</b>	the Consumer Prices Index published by the UK Office for National Statistics
<b>CREST</b>	the UK-based system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
<b>CREST Account</b>	an account in CREST
<b>CREST Regulations</b>	the UK Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended from time to time
<b>Custodian</b>	JPMorgan Chase Bank, N.A., London branch, a UK establishment of JPMorgan Chase Bank, N.A. with UK establishment number BR000746 and having its UK establishment office address at 25 Bank Street, Canary Wharf, London E14 5JP
<b>DCM</b>	discount control mechanism
<b>Depository</b>	J.P. Morgan Europe Limited, a private limited company incorporated and registered in England and Wales with registered number 00938937 and having its registered office at 25 Bank Street, Canary Wharf, London E14 5JP
<b>Depository Agreement</b>	the agreement dated 6 November 2020 and entered into between the Company, the AIFM and the Depository, which is summarised in paragraph 11.4 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Depository and Custodian Fee Agreement</b>	the fee agreement for the provision of custodian and depository services dated 1 December 2021 between the Company, the Depository and the Custodian
<b>Directors</b>	the directors of the Company, from time to time
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA under section 73A of FSMA, as amended from time to time

<b>Dissenting TIGT Shareholder</b>	a TIGT Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act
<b>EEA</b>	the European Economic Area
<b>EEA Member State</b>	any member state within the EEA from time to time
<b>Effective Date</b>	the date on which the Scheme becomes effective (which is expected to be 27 March 2024)
<b>Election</b>	the choice made by a TIGT Shareholder for the Rollover Option and/or the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Rollover Option or the Cash Option) and any reference to “ <b>elect</b> ” shall, except where the context requires otherwise, mean “ <b>elect or is deemed to elect</b> ”
<b>Enlarged Company</b>	the Company following completion of the Proposals
<b>ESG</b>	environmental, social and governance
<b>EU</b>	the European Union
<b>EU AIFM Delegated Regulation</b>	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
<b>EU AIFM Directive</b>	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
<b>EU Market Abuse Regulation or EU MAR</b>	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
<b>EU PRIIPs Regulation</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (“ <b>PRIIPs</b> ”) and its implementing and delegated acts
<b>EU Prospectus Regulation</b>	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
<b>EURIBOR</b>	the Euro interbank offered rate
<b>Euroclear</b>	Euroclear UK & International Limited, a private limited company incorporated and registered in England and Wales with registered number 02878738 and having its registered office at 33 Cannon Street, London EC4M 5SB, in its capacity as the operator of CREST



<b>Existing Articles</b>	the articles of association of the Company effective as at the date of this Prospectus and before being replaced at the General Meeting by virtue of Resolution 4 (if that resolution is passed)
<b>Existing Shareholders</b>	holders of Shares prior to the Effective Date
<b>FATCA</b>	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)
<b>FAV</b>	the formula asset value
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority of the UK, its predecessors or its successors from time to time, including, as applicable, in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>FCA Handbook</b>	the FCA's handbook of rules and guidance, as amended and updated from time to time
<b>Federal Reserve</b>	the Federal Reserve System of the United States
<b>First TIGT General Meeting</b>	the general meeting of TIGT convened for 2.30 p.m. on 13 March 2024 at the offices of Troy Asset Management Limited, 33 Davies Street, London W1K 4BP or any adjournment of that meeting
<b>FRS 102</b>	financial reporting standard 102 applicable in the UK and Republic of Ireland
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>Global Custody Agreement</b>	the global custody agreement dated 9 November 2020 between the Company and the Custodian, as summarised in paragraph 11.5 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>General Meeting</b>	the general meeting of the Company convened for 3.00 p.m. on 13 March 2024 at the offices of Troy Asset Management Limited, 33 Davies Street, London W1K 4BP or any adjournment of that meeting
<b>HMRC</b>	His Majesty's Revenue & Customs
<b>IGA</b>	intergovernmental agreement
<b>Insolvency Act</b>	the Insolvency Act 1986, as amended from time to time
<b>Investment Management Agreement</b>	the investment management agreement dated 16 September 2020, as amended by a side letter dated 16 October 2020, between the Company and the AIFM, as summarised in paragraph 11.1 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Investment Management Delegation Agreement</b>	the investment management delegation agreement dated 16 September 2020, as amended by a side letter dated 16 October 2020, between the Company, the AIFM and the Investment Manager as summarised in paragraph 11.2 of Part 7 ( <i>General Information</i> ) of this Prospectus

<b>Investment Manager or Troy</b>	Troy Asset Management Limited, a private limited company incorporated in England and Wales with registered number 03930846 and having its registered office at 33 Davies Street, London W1K 4BP, in its capacity as delegated investment manager of STS or TIGT (as the context requires)
<b>Investment Trust Tax Regulations</b>	The Investment Trust (Approved Company) (Tax) Regulations 2011
<b>IRS</b>	the US Internal Revenue Service
<b>ISA</b>	an individual savings account approved in the UK by HMRC
<b>Issue</b>	the issue of New Shares to TIGT Shareholders who elect, or are deemed to elect, for the Rollover Option pursuant to the Scheme
<b>Japan</b>	Japan, its cities, prefectures, territories and possessions
<b>J.P. Morgan Cazenove or Sponsor</b>	J.P. Morgan Securities plc, 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, which conducts its UK investment banking activities as “J.P. Morgan Cazenove”
<b>LEI</b>	legal entity identifier
<b>Link Group or Receiving Agent or Registrar</b>	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
<b>Liquidation Pool</b>	the pool of assets of TIGT to be retained by the Liquidators to meet all known and unknown liabilities of TIGT and other contingencies, as further described in paragraph 2 of Part 4 ( <i>Details of the Scheme and the Issue</i> ) of this Prospectus
<b>Liquidators</b>	the liquidator(s) of TIGT being, initially, the persons appointed jointly and severally upon the resolution to be proposed at the Second TIGT General Meeting becoming effective
<b>Liquidators’ Retention</b>	an amount to be retained by the Liquidators to meet any unknown or unascertained liabilities of TIGT and the entitlements of any Dissenting TIGT Shareholders, which is currently estimated by TIGT to be £100,000
<b>Listing Rules</b>	the listing rules made by the FCA for the purposes of Part VI of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc, a public limited company incorporated and registered in England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London EC4M 7LS
<b>Main Market</b>	the main market for listed securities operated by the London Stock Exchange

<b>Management Engagement Committee</b>	the committee of this name established by the Board and having the duties described in paragraph 3.3 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>Market Close</b>	<p>in the case of an investment of the Company or TIGT that is listed, traded or quoted on or dealt in on:</p> <ul style="list-style-type: none"> <li>(i) any UK stock exchange or market for publicly listed, traded or quoted securities (including the Main Market), 4.35 p.m. London (UK) time; and</li> <li>(ii) any overseas stock exchange or market for publicly listed, traded or quoted securities, the close of business of such exchange or market,</li> </ul> <p>provided that if the relevant exchange or market was closed for business in respect of the relevant investment on the Calculation Date, "Market Close" shall be determined as aforesaid on the last dealing day of such exchange or market immediately preceding the Calculation Date in respect of that investment</p>
<b>Marketing and Communications Committee</b>	the committee of this name established by the Board and having the duties described in paragraph 3.4 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>MiFID II Product Governance Requirements</b>	has the meaning given in the section titled "Information to Distributors" in the Part titled "Important Information" of this Prospectus
<b>NAV or Net Asset Value</b>	the gross assets of the Company or TIGT, as appropriate, less its liabilities (including provisions for such liabilities) determined by the relevant board of directors in its absolute discretion in accordance with the accounting principles adopted by that company and, unless otherwise specified, on a cum income basis adjusted for borrowings calculated at fair value
<b>NAV per Share</b>	the NAV of the Company divided by the number of Shares in issue (excluding any Shares held in treasury) at the relevant time
<b>NAV per TIGT Share</b>	the NAV of TIGT divided by the number of TIGT Shares in issue (excluding any TIGT Shares held in treasury) at the relevant time
<b>New Fee Arrangements</b>	the revised basis of calculation of the annual management fee payable by the Enlarged Company to Troy with effect from the date of Admission (subject to the Scheme becoming effective) as described in paragraph 2.1 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>New Shares</b>	the Shares to be issued to TIGT Shareholders pursuant to the Scheme
<b>New Zealand</b>	New Zealand, its territories, possessions and all areas under its jurisdiction and political sub divisions thereof

<b>Nominated Charity</b>	Muscular Dystrophy Group of Great Britain and Northern Ireland, registered charity numbers 205395 (England and Wales) and SC039445 (Scotland)
<b>Nomination and Remuneration Committee</b>	the committee of this name established by the Board and having the duties described in paragraph 3.5 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>Official List</b>	the Official List maintained by the FCA
<b>Ongoing Cost Contribution</b>	the annual contribution made by the Investment Manager to the AIFM in respect of the fees payable by the Company to the AIFM for company secretarial and administrative services in any calendar year, as further described in paragraph 2.1 of Part 3 ( <i>Directors, Management and Administration of the Company</i> ) of this Prospectus
<b>Overseas TIGT Shareholders</b>	TIGT Shareholders who have a registered address outside of, or who are resident in, or citizens, residents or nationals of, jurisdictions outside the United Kingdom, the Channel Islands and the Isle of Man
<b>Panel</b>	The Panel on Takeovers and Mergers
<b>personal data</b>	has the meaning given in the subsection titled “Data protection” in the section titled “Important Information” of this Prospectus
<b>Portfolio</b>	the portfolio of investments in which the funds of the Company are invested from time to time
<b>PRA</b>	the Prudential Regulation Authority of the Bank of England
<b>Proposals</b>	the proposals for the Company’s participation in the Scheme (including the Issue), as set out in further detail in this Prospectus and the Circular
<b>Prospective Directors</b>	the two current TIGT Directors to be appointed to the Board when the Scheme becomes effective, being Bridget Guerin and Brigid Sutcliffe
<b>Prospectus</b>	this document
<b>Prospectus Regulation Rules</b>	the UK prospectus rules and regulations made by the FCA under Part VI of FSMA
<b>Qualified Purchaser</b>	a “qualified purchaser” as defined in section 2(a)(51)(A) of the US Investment Company Act
<b>Quarterly Period</b>	the periods from 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December in each year
<b>RBSI</b>	The Royal Bank of Scotland International Limited, a UK establishment of RBS International (UK establishment number BR019279) having its UK establishment office address at Level 3, 440 Strand, London WC2R 0QS

<b>Receiving Agent Agreement</b>	the agreement dated 9 February 2024 between the Company and the Receiving Agent, as summarised in paragraph 11.8 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Reclassified TIGT Shares</b>	the TIGT Shares reclassified under the Scheme as TIGT Shares with “A” rights or “B” rights
<b>Record Date</b>	6.00 p.m. on 13 March 2024 (or such other date as determined at the sole discretion of the TIGT Board), being the record date for determining TIGT Shareholders’ entitlements under the Scheme
<b>Relevant Quarterly Period</b>	a Quarterly Period ending on 31 March in any year over which the Company’s average discount to NAV (measured by the average daily discount of the closing mid-market price of a Share to the prevailing NAV per Share) exceeds 7.5 per cent.
<b>Register</b>	the register of members of the Company
<b>Registrar Agreement</b>	the agreement dated on or around 1 October 2009, between the Company and the Registrar, as summarised in paragraph 11.6 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Regulation S</b>	Regulation S under the US Securities Act
<b>Regulatory Information Service or RIS</b>	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange and “ <b>RIS announcement</b> ” means an announcement released through a RIS
<b>Republic of South Africa</b>	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub divisions thereof
<b>Resolution 1</b>	the ordinary resolution relating to the approval of the Issue, which will be proposed at the General Meeting
<b>Resolution 2</b>	the special resolution relating to the approval of the renewal of the Company’s share buy back authority with effect from the General Meeting, which will be proposed at the General Meeting
<b>Resolution 3</b>	the special resolution relating to the approval of the renewal of the Company’s share buy back authority, conditional upon and immediately following Admission, which will be proposed at the General Meeting
<b>Resolution 4</b>	the special resolution relating to the approval and adoption of the Revised Articles, which will be proposed at the General Meeting
<b>Resolutions</b>	Resolution 1, Resolution 2, Resolution 3 and Resolution 4 to be proposed for approval by Shareholders at the General Meeting, and each a “ <b>Resolution</b> ”
<b>Restricted Voting Deferred Shares</b>	restricted voting deferred shares with a nominal value of £1 each in the capital of the Company
<b>Revised Articles</b>	the new articles of association of the Company proposed to be adopted at the General Meeting in accordance with Resolution 4

<b>Revolving Credit Facilities Agreement</b>	the multicurrency revolving credit facilities agreement between the Company and RBSI entered into on 19 September 2016 and as amended by amendment agreements dated 19 September 2018, 25 September 2020, 12 November 2020 and 12 October 2021 and as further amended and restated on 19 September 2023, pursuant to which RBSI provides the Company with the Revolving Credit Facility
<b>Revolving Credit Facility</b>	the multicurrency revolving loan facility of up to £20,000,000 made available to the Company by RBSI pursuant to the Revolving Credit Facilities Agreement
<b>Rollover Option</b>	the option for TIGT Shareholders under the Scheme to elect to receive New Shares in respect of some or all of their holding of TIGT Shares on the winding up of TIGT under the terms of the Scheme
<b>Rollover Pool</b>	the pool of cash, undertaking and other assets to be established under the Scheme to be transferred from TIGT to the Company pursuant to the Transfer Agreement
<b>Sanctions Authority</b>	each of: <ul style="list-style-type: none"> <li>(i) the United States government;</li> <li>(ii) the United Nations;</li> <li>(iii) the United Kingdom;</li> <li>(iv) the EU (or any of its member states);</li> <li>(v) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and</li> <li>(vi) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury</li> </ul>
<b>Sanctions Restricted Person</b>	each person or entity that: <ul style="list-style-type: none"> <li>(i) is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority;</li> <li>(ii) is, or is directly or indirectly owned or controlled by a person that is, described or designated in (a) the current "Specially Designated Nationals and Blocked Persons" list (which as at the date of this Prospectus can be found at: <a href="https://www.treasury.gov/ofac/downloads/sdnlist.pdf">https://www.treasury.gov/ofac/downloads/sdnlist.pdf</a>; and/or (b) the current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as at the date of this Prospectus can be found at: <a href="https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en">https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en</a>); or the current "Consolidated list of financial sanctions targets in the</li> </ul>

UK” (which as at the date of this Prospectus can be found at <https://ofsistorage.blob.core.windows.net/publishlive/2022format/ConList.html>); and/or

(iii) is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current “Sectoral Sanctions Identifications” list (which as of the date of this document can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”), (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “**EU Annexes**”), or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes

<b>Scheme</b>	the proposed scheme of reconstruction and voluntary winding up of TIGT under section 110 of the Insolvency Act, pursuant to which the Issue will be undertaken, the terms of which are set out in Part 4 of the shareholder circular issued by TIGT on or around the date of this Prospectus
<b>SDRT</b>	stamp duty reserve tax
<b>SEC</b>	the US Securities and Exchange Commission and any organisation which may replace it or take over the conduct of its affairs
<b>Second TIGT General Meeting</b>	the general meeting of TIGT convened for 11.00 a.m. on 27 March 2024 at the offices of Troy Asset Management Limited, 33 Davies Street, London W1K 4BP or any adjournment of that meeting
<b>Secretarial and Administration Agreement</b>	the secretarial and administration agreement dated 16 September 2020, as amended by a side letter dated 16 October 2020, between the Company and the AIFM as summarised in paragraph 11.3 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Senior Independent Director</b>	senior independent director of the Company
<b>Shareholders</b>	holders of Shares, including holders of New Shares if the context so requires
<b>Shareholders’ Funds</b>	the value of shareholders’ funds of the Company (comprising, for the avoidance of doubt, called up share capital, share premium account and all distributable and undistributable reserves) calculated in accordance with the accounting policies of the Company or TIGT (as applicable)
<b>Shares</b>	redeemable ordinary shares with a nominal value of one penny each in the capital of the Company, including the New Shares following their issue if the context so requires
<b>Sponsor Agreement</b>	the agreement dated 27 September 2023, between the Company, the AIFM and the Sponsor, as summarised in paragraph 11.9 of Part 7 ( <i>General Information</i> ) of this Prospectus

<b>Sterling, £ or GBP</b>	pounds sterling, the lawful currency of the UK
<b>STS Direct Costs</b>	the Company's direct costs in connection with the Proposals which for the purposes of the Troy Cost Contribution are subject to a cap of £900,000 (inclusive of VAT)
<b>STS FAV</b>	the net asset value of the Company, being the value of the Company's assets less any liabilities it has, calculated as at the Calculation Date in accordance with its normal accounting policies, on a cum income basis with debt calculated at fair value post the costs of the Proposals (excluding any Acquisition Costs and Admission Fees), and adjusted for the Troy Cost Contribution and the benefit (if any) of the TIGT FAV Adjustment and to exclude any dividends declared but not paid prior to the Effective Date by the Company to Shareholders
<b>STS FAV per Share</b>	the STS FAV divided by the total number of Shares in issue on the Calculation Date (excluding Shares held in treasury) (expressed in pence) and calculated to six <b>decimal places (with 0.0000005 rounded down)</b>
<b>STS Third Quarterly Interim Dividend</b>	the Company's third quarterly interim dividend in respect of the financial year ending on 31 March 2024 of 1.965 pence per Share announced on 23 February 2024 and due to be paid on 19 April 2024 to Shareholders on the Register on 15 March 2024
<b>S&amp;P 500 cyclically adjusted price-to-earnings ratio</b>	the cyclically adjusted price-to-earnings ratio of the Standard & Poor's 500 index (" <b>S&amp;P 500</b> "), calculated by averaging of the ratio of each S&P 500 constituent's share price divided by its trailing 10-year average inflation-adjusted earnings per share
<b>Takeover Code</b>	the UK City Code on Takeovers and Mergers
<b>Target Market Assessment</b>	has the meaning given in the subsection titled "Information to distributors" in the section titled "Important Information" of this Prospectus
<b>TIGT</b>	Troy Income & Growth Trust plc, a public limited company incorporated and registered in Scotland with registered number SC111955 and having its registered office at 28 Walker Street, Edinburgh EH3 7HR
<b>TIGT Board</b>	the board of directors of TIGT, including any duly constituted committee thereof
<b>TIGT Directors</b>	the directors of TIGT
<b>TIGT FAV</b>	subject to any adjustment required by paragraph 4.5 of the Scheme, the TIGT FAV will be equal to the Rollover Pool plus the benefit to TIGT (if any) of the Troy Cost Contribution less the Acquisition Costs and the Admission Fees, all as calculated in accordance with paragraph 4.5 of the Scheme
<b>TIGT FAV Adjustment</b>	has the meaning given to it in paragraph 2.4 of Part 4 ( <i>Details of the Scheme and the Issue</i> ) of this Prospectus



<b>TIGT FAV per Share</b>	the TIGT FAV divided by the total number of Reclassified TIGT Shares with “A” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>TIGT Final Interim Dividend</b>	TIGT’s special interim dividend in respect of the financial year ending on 30 September 2024 of 0.1 pence per TIGT Share announced on 22 February 2024 and due to be paid on 22 March 2024 to TIGT Shareholders on the TIGT Register on 1 March 2024
<b>TIGT General Meetings</b>	the First TIGT General Meeting and/or the Second TIGT General Meeting, as the context requires
<b>TIGT NAV</b>	the net asset value of TIGT adjusted for any dividends declared but not paid to TIGT Shareholders prior to the Calculation Date and excluding any provision for the costs of the Proposals or any costs of the Proposals already accrued in TIGT’s net asset value as at the Calculation Date and the Troy Cost Contribution attributable to TIGT (if any), on a cum-income, debt at fair value basis
<b>TIGT Portfolio</b>	TIGT’s portfolio of investments prior to the Effective Date
<b>TIGT Register</b>	the register of members of TIGT
<b>TIGT Resolutions</b>	the special resolutions to be proposed at the TIGT General Meetings or any of them as the context may require, each being a “ <b>TIGT Resolution</b> ”
<b>TIGT Second Quarterly Interim Dividend</b>	TIGT’s second quarterly interim dividend in respect of the financial year ending on 30 September 2024 of 0.5304 pence per TIGT Share announced on 26 January 2024 and due to be paid on 8 March 2024 to TIGT Shareholders on the TIGT Register on 16 February 2024
<b>TIGT Shareholders</b>	holders of TIGT Shares whose names are entered on the TIGT Register as at the Record Date
<b>TIGT Shares</b>	ordinary shares of 25 pence each in the capital of TIGT
<b>Transfer Agreement</b>	the agreement to be entered into between TIGT (acting by its Liquidators), the Liquidators and the Company for the transfer of cash, assets and undertaking from TIGT to the Company pursuant to the Scheme, with the terms of the agreed form of such agreement being summarised in paragraph 11.10 of Part 7 ( <i>General Information</i> ) of this Prospectus
<b>Troy Cost Contribution</b>	the waiver of the management fee that would otherwise be payable by the Company to Troy in respect of the assets transferred by TIGT to the Company pursuant to the Scheme for the first 18 months following the completion of the Scheme at the blended rate of the Company’s New Fee Arrangements, subject to a cap of £1.1 million
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK AIFMD Laws</b>	(i) 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

	(ii) 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
<b>UK Corporate Governance Code 2018</b>	the UK Corporate Governance Code published by the Financial Reporting Council in July 2018
<b>UK MAR</b>	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
<b>UK MiFID II</b>	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
<b>UK PRIIPs Laws</b>	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
<b>UK Prospectus Regulation</b>	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))
<b>uncertificated or in uncertificated form</b>	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
<b>United States or US</b>	the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia
<b>US Exchange Act</b>	the US Securities Exchange Act of 1934, as amended
<b>US Investment Company Act</b>	the US Investment Company Act of 1940, as amended
<b>US Investor Representation Letter</b>	the representation letter that can be completed by US TIGT Shareholders that are Qualified Purchasers
<b>US Person</b>	a "U.S. person" as such term is defined under Regulation S
<b>US Securities Act</b>	the US Securities Act of 1933, as amended
<b>US Tax Code</b>	the US Internal Revenue Code of 1986, as amended

**US TIGT Shareholder**

a TIGT Shareholder that is a US Person

**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