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If you have sold or otherwise transferred all of your shares in Oxford Technology 2 Venture Capital Trust Plc (the **Company**), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

Application has been made to the FCA for the Consideration Shares and Leisure Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such Consideration Shares and Leisure Shares to be admitted to trading on its main market for listed securities.

Hill Dickinson LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company, Oxford Technology Venture Capital Trust Plc (**OT1**), Oxford Technology Venture Capital Trust 3 Plc (**OT3**) and Oxford Technology 4 Venture Capital Trust Plc (**OT4**) and no-one else and will not be responsible to any other person for providing advice in connection with any matters referred to in this document.

BDO LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting as sponsor for the Company and no-one else and will not be responsible to any other person for providing the protections afforded to customers of BDO LLP (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice or in relation to any matters referred to in this document.

OXFORD TECHNOLOGY 2 VENTURE CAPITAL TRUST PLC

*(To be renamed "EDITION VCT PLC" subject to the first admission of Leisure Shares)
(Registered in England and Wales with registered number 03928569)*

Circular and Notice of General Meeting

in connection with recommended proposals to:

merge with Oxford Technology Venture Capital Trust Plc, Oxford Technology 3 Venture Capital Trust Plc and Oxford Technology 4 Venture Capital Trust Plc by acquiring all of the assets and liabilities

and

an offer for subscription to raise up to £10 million with an over-allotment facility for a further £10 million through the issue of Leisure Shares

Your attention is drawn to the letter from the Chairman of the Company set out in Part I of this document which contains a recommendation to vote in favour of the resolutions to be proposed at the General Meeting referred to below. Your attention is also drawn to the risk factors set out in Part III of this document.

You will find set out at the end of this document notice of the General Meeting to be held at 3.00 p.m. on 20 June 2022 at the Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA to approve resolutions to effect the proposals contained herein.

To be valid, the Form of Proxy enclosed with this document should be returned by 3.00 p.m. on 16 June 2022 (or 48 hours before any adjournment thereof, ignoring non-working days), either by post or by hand (during normal business hours only) to the Company's registrar, Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD.

For further information on the General Meeting or the completion and return of a Form of Proxy, please telephone the Company's registrar on 0121 585 1131. For legal reasons, the Company's registrar will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice.

No person has been authorised to give any information or representation other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. Neither the delivery of this document hereunder nor any subsequent receipt of, subscription for, or sale of Shares shall, under any circumstances, create any implication that the information contained in this document is correct as of any time subsequent to the date of this document.

Shareholders are also recommended to read the prospectus issued by the Company dated 18 May 2022 which can be accessed at www.oxfordtechnologyvct.com/vct2.html for information purposes.

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FORWARD LOOKING STATEMENTS

Investors should not place undue reliance on forward-looking statements. This Circular includes statements that are (or may be deemed to be) “forward-looking statements”, which can be identified by the use of forward-looking terminology including the various terms “believes”, “continues”, “expects”, “intends”, “aims” “may”, “will”, “would”, “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this Circular, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. These statements will be updated as and when required by the Prospectus Regulation Rules, Prospectus Regulation, the Listing Rules, MAR and the Disclosure Guidance & Transparency Rules, as appropriate.

EXPECTED TIMETABLES

EXPECTED TIMETABLE FOR THE COMPANY

Merger with Target VCTs

Latest time for receipt of forms of proxy for the General Meeting	3.00 p.m. on 16 June 2022
General Meeting	3.00 p.m. on 20 June 2022
Effective Date for the transfer of the assets and liabilities of the Target VCTs to the Company and the issue of Consideration Shares pursuant to Schemes	30 June 2022
Announcement of the results of the Schemes	30 June 2022
Admission of and dealings in Consideration Shares issued pursuant to the Schemes to commence	1 July 2022
CREST accounts credited with Consideration Shares issued pursuant to the Schemes	1 July 2022
Certificates for Consideration Shares issued pursuant to the Schemes dispatched	15 July 2022

Offer

Offer opens	18 May 2022
Applications to be received for the Early Bird Discount of 2%	12.00 noon on 30 September 2022
Applications to be received for the Early Bird Discount of 1%	12.00 noon on 31 December 2022
First allotment of Leisure Shares*	autumn 2022
Subsequent allotments of Leisure Shares**	no less frequently than quarterly
Deadline for receipt of applications for the 2022/23 tax year***	5.00 p.m. on 3 April 2023
Deadline for receipt of applications for the 2023/24 tax year	12.00 noon on 12 May 2023
Admission of, and dealings in, Leisure Shares to commence	3 Business Days following allotment
Share certificates and tax certificates to be dispatched	10 Business Days following allotment
Offer Closes**	12.00 noon on 16 May 2023

(* The Offer is not conditional on the Merger and will open immediately. The first allotment of Leisure Shares is expected to be during autumn 2022.)

(** The Board reserves the right to close the Offer earlier than the date stated or extend the Offer but not longer than 12 months following publication of the Prospectus. The Board further reserves the right to accept applications and allot and arrange for listing of Leisure Shares as they see fit.)

(*** The Board reserves the right to extend this deadline at its sole discretion.)

EXPECTED TIMETABLE FOR OT1*

Date from which it is advised that dealings in OT1 Shares should only be for cash settlement and immediate delivery of documents of title	15 June 2022
Latest time for receipt of forms of proxy for the OT1 First General Meeting	2.15 p.m. on 16 June 2022
OT1 First General Meeting	2.15 p.m. on 20 June 2022
Latest time for receipt of forms of proxy for the OT1 Second General Meeting	10.00 a.m. on 28 June 2022
OT1 register of members closed and Record Date for OT1 Shareholders' entitlements under the OT1 Scheme	6.00 p.m. on 29 June 2022
Dealings in OT1 Shares suspended	7.30 a.m. on 30 June 2022
OT1 Second General Meeting	10.00 a.m. on 30 June 2022
Effective Date for the transfer of the assets and liabilities of OT1 to the Company and the issue of Consideration Shares pursuant to the OT1 Scheme**	30 June 2022
Announcement of the results of the OT1 Scheme	30 June 2022
Cancellation of the OT1 Shares' listing	8.00 a.m. on 29 July 2022

(*OT1 Shareholders can separately, should they so wish, participate in the Offer.)

(** See the timetable for the Company with regard to admission, CREST accounts being credited and certificates being dispatched.)

EXPECTED TIMETABLE FOR OT3*

Date from which it is advised that dealings in OT3 Shares should only be for cash settlement and immediate delivery of documents of title	15 June 2022
Latest time for receipt of forms of proxy for the OT3 First General Meeting	2.30 p.m. on 16 June 2022
OT3 First General Meeting	2.30p.m. on 20 June 2022
Latest time for receipt of forms of proxy for the OT3 Second General Meeting	10.15 a.m. on 28 June 2022
OT3 register of members closed and Record Date for OT3 Shareholders' entitlements under the OT3 Scheme	6.00 p.m. on 29 June 2022
Dealings in OT3 Shares suspended	7.30 a.m. on 30 June 2022
OT3 Second General Meeting	10.15 a.m. on 30 June 2022
Effective Date for the transfer of the assets and liabilities of OT3 to the Company and the issue of Consideration Shares pursuant to the OT3 Scheme**	30 June 2022
Announcement of the results of the OT3 Scheme	30 June 2022
Cancellation of the OT3 Shares' listing	8.00 a.m. on 29 July 2022

(*OT3 Shareholders can separately, should they so wish, participate in the Offer.)

(** See the timetable for the Company with regard to admission, CREST accounts being credited and certificates being dispatched.)

EXPECTED TIMETABLE FOR OT4*

Date from which it is advised that dealings in OT4 Shares should only be for cash settlement and immediate delivery of documents of title	15 June 2022
Latest time for receipt of forms of proxy for the OT4 First General Meeting	2.45 p.m. on 16 June 2022
OT4 First General Meeting	2.45 p.m. on 20 June 2022
Latest time for receipt of forms of proxy for the OT4 Second General Meeting	10.30 a.m. on 28 June 2022
OT4 register of members closed and Record Date for OT4 Shareholders' entitlements under the OT4 Scheme	6.00 p.m. on 29 June 2022
Dealings in OT4 Shares suspended	7.30 a.m. on 30 June 2022
OT4 Second General Meeting	10.30 a.m. on 30 June 2022
Effective Date for the transfer of the assets and liabilities of OT4 to the Company and the issue of Consideration Shares pursuant to the OT4 Scheme**	30 June 2022
Announcement of the results of the OT4 Scheme	30 June 2022
Cancellation of the OT4 Shares' listing	8.00 a.m. on 29 July 2022

(*OT4 Shareholders can separately, should they so wish, participate in the Offer.)

(** See the timetable for the Company with regard to admission, CREST accounts being credited and certificates being dispatched.)

DEFINITIONS

“Admission”	the admission of (i) the Leisure Shares allotted pursuant to the Offer; and (ii) the Consideration Shares allotted pursuant to the Schemes, in each case to the premium segment on the Official List and to trading on the London Stock Exchange’s main market for listed securities
“AIF Regulations”	the Alternative Investment Fund Managers Regulations 2013 (as amended)
“Amended IMA”	the amended investment management agreement between the Company and OT2M dated 18 May 2022, as more particularly detailed in paragraph 6.2.1 of Part V of this document and to be approved by Existing Shareholders (as a related party transaction for the purposes of Chapter 11 of the Listing Rules) pursuant to Resolution 6
“Annual Report”	the annual report for the Company for the period ended 28 February 2022
“Annual Running Costs”	the annual running costs and expenses, including administrative fees and expenses and any trail commissions, incurred, accrued or payable (as the case may be) by the Company in its business including irrecoverable VAT (but excluding (a) exceptional and extraordinary costs; (b) any annual management fees, portfolio monitoring fees or performance fees in relation to any Shares or New Shares; and (c) any costs relating solely to the making, holding or realisation of investments by the Company)
“Applicant”	an applicant under the Offer
“Application”	a valid application by an Applicant for Leisure Shares pursuant to the Offer
“Articles”	the articles of association of the Company, as amended from time to time
“BDO LLP”	BDO LLP of 55 Baker Street London W1U 7EU, which is authorised and regulated by the FCA and is a FCA registered sponsor
“Board”	the board of directors of the Company
“Business Days”	any day (other than a Saturday, Sunday or bank holiday) on which clearing banks are open for normal banking business in sterling
“CA 1985”	the Companies Act 1985, as amended
“CA 2006”	the Companies Act 2006, as amended
“Circular”	this document
“Code”	UK Corporate Governance Code published by the Financial Reporting Council
“Companies”	the Company and the Target VCTs
“Company” or “OT2”	Oxford Technology 2 Venture Capital Trust Plc
“Consideration Shares”	the New OT1 Ordinary Shares, New OT3 Ordinary Shares and New OT4 Ordinary Shares to be issued by the Company to the

	shareholders of the Target VCTs in accordance with the Merger and to be listed on the premium segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities (and each a "Consideration Share")
"CREST"	the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited
"Directors"	the directors of the Company (and each a "Director")
"Early Bird Discount"	in respect of an Application for the Offer received by 12.00 noon on 30 September 2022, where such Application is accepted, a discount of 2% and, in respect of an Application for the Offer received after 12.00 noon on 30 September 2022 but before 12.00 noon on 31 December 2022, where such Application is accepted, a discount of 1%, in each case to be applied as set out on page 42 of the Prospectus (or such later dates to which the Board may agree to apply such discounts)
"Edition"	Edition Capital Investments Limited
"Edition IMA"	the new investment management agreement between the Company and Edition dated 18 May 2022, as more particularly detailed in paragraph 5.2.2 of Part V of this document
"Effective Date"	the date on which the Merger will be completed, anticipated as being 30 June 2022
"Enlarged Company"	the Company, following implementation of the Merger
"EU"	the European Union
"Existing IMA"	the investment management agreement between the Company and OT2M dated 30 June 2015, as more particularly detailed in paragraph 5.1.1 of Part V of this document
"Existing Shareholder Loyalty Discount"	in respect of an Application for the Offer received from an existing shareholder of any of the Companies, a discount of 1% to be applied as set out on page 42 of the Prospectus
"Existing Shareholders"	the holders of Ordinary Shares as at 6.00p.m. on 18 June 2022
"FCA"	the Financial Conduct Authority
"Form of Proxy"	the form of proxy for use at the General Meeting
"FSMA"	the Financial Services and Markets Act 2000, as amended
"General Meeting"	the general meeting of the Company to be held on 20 June 2022 (or any adjournment thereof)
"HMRC"	Her Majesty's Revenue & Customs
"IA 1986"	the Insolvency Act 1986, as amended
"Independent Valuer"	James Cowper LLP (trading as James Cowper Kreston) of 2 Communications Road, Greenham Business Park, Greenham, Newbury, RG19 6AB
"Initial Period"	the period of three years starting immediately on the first day of the relevant quarter of the Company in which the first Leisure Shares are

	issued under the Offer
“Investors”	Individuals aged 18 or over who subscribe for Leisure Shares under the Offer (and “Investor” means any one of them)
“ITA 2007”	the Income Tax Act 2007, as amended
“Knowledge Intensive Company”	a company satisfying the conditions in section 331A of Part 6 of ITA 2007
“Leisure Share Pool”	the pool of assets and liabilities attributed to the Leisure Shares in accordance with the New Articles
“Leisure Shares”	the new “Leisure” ordinary shares of 1p each in the capital of the Company (ISIN: GB00BN73FQ38), being offered for subscription pursuant to the Offer (and each a “Leisure Share”)
“Liquidators”	John Allan Carpenter (authorised by the Institute of Chartered Accountants of England and Wales under Insolvency Practitioner number: 16270) and Lisa Marie Moxon (authorised by the Insolvency Practitioners Association under Insolvency Practitioner number: 16370) of Dow Schofield Watts Business Recovery LLP, being the proposed liquidators of the Target VCTs
“Listing Rules”	the listing rules of the FCA
“London Stock Exchange”	London Stock Exchange PLC
“MAR”	the Market Abuse Regulation (596/2014/EU) (as amended) (as it forms part of retained European Union law as defined in the EU (Withdrawal) Act 2018)
“Merger”	collectively the OT1 Scheme, the OT3 Scheme and the OT4 Scheme or, as the case may be, any one or more of these Schemes which become unconditional
“Merger Regulations”	Venture Capital Trusts (Winding-up and Mergers) (Tax) Regulations 2004 (SI 2004/2199)
“NAV” or “Net Asset Value”	net asset value
“New Articles”	the new articles of association to be adopted by the Company in substitution for the Company’s existing articles of association, as more particularly detailed in this Circular
“New Portfolio Monitor Agreement”	the portfolio monitor agreement entered into between the Company, Edition and OTM dated 18 May 2022, pursuant to which OTM is appointed as the Company’s portfolio monitor with effect from the first Admission of the Leisure Shares, as more particularly detailed in paragraph 5.2.3 of Part V of this document
“New OT1 Ordinary Shares”	new “OT1” ordinary shares of 1p each in the capital of the Company (ISIN: GB00BN73FM99), to be issued to OT1 Shareholders pursuant the OT1 Scheme (and each a “New OT1 Ordinary Share”)
“New OT1 Share Pool”	the pool of assets and liabilities attributed to the New OT1 Ordinary Shares in accordance with the New Articles
“New OT3 Ordinary Shares”	new “OT3” ordinary shares of 1p each in the capital of the Company (ISIN: GB00BN73FN07), to be issued to OT3 Shareholders pursuant the OT3 Scheme (and each a “New OT3 Ordinary Share”)

“New OT3 Share Pool”	the pool of assets and liabilities attributed to the New OT3 Ordinary Shares in accordance with the New Articles
“New OT4 Ordinary Shares”	new “OT4” ordinary shares of 1p each in the capital of the Company (ISIN: GB00BN73FP21), to be issued to OT4 Shareholders pursuant the OT4 Scheme (and each a “New OT4 Ordinary Share”)
“New OT4 Share Pool”	the pool of assets and liabilities attributed to the New OT4 Ordinary Shares in accordance with the New Articles
“New Shares”	the Consideration Shares and/or the Leisure Shares, as applicable (and each a “New Share”)
“Offer” or “Offer for Subscription”	the offer for subscription to raise up to £10 million, with an over-allotment facility for up to a further £10 million, through the issue of Leisure Shares as set out in the Prospectus
“Official List”	the official list of the FCA
“Ordinary Share Pool”	the pool of assets and liabilities attributed to the Ordinary Shares in accordance with the New Articles
“Ordinary Shares”	ordinary shares of 1p each in the capital of the Company (ISIN: GB0003105052) (which are expected to be renamed as “OT2” ordinary shares subject to completion of the Merger) (and each an “Ordinary Share”)
“OT1”	Oxford Technology Venture Capital Trust Plc, registered in England and Wales under number 03276063, whose registered office is at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA
“OT1 Board”	the board of directors of OT1
“OT1 Circular”	the circular to OT1 Shareholders dated 18 May 2022
“OT1 First General Meeting”	the general meeting of OT1 to be held on 20 June 2022 (or any adjournment thereof)
“OT1 Interim Report”	the unaudited interim report for OT1 for the twelve month period ended 28 February 2022
“OT1 Meetings”	the OT1 First General Meeting and the OT1 Second General Meeting
“OT1 Second General Meeting”	the general meeting of OT1 to be held on 30 June 2022 (or any adjournment thereof)
“OT1 Scheme”	the proposed merger of the Company with OT1 by means of placing OT1 into members’ voluntary liquidation pursuant to section 110 of IA 1986 and the acquisition by the Company of all of OT1’s assets and liabilities in consideration for Consideration Shares, as described in this Circular
“OT1 Shareholders”	holders of OT1 Shares (and each an “OT1 Shareholder”)
“OT1 Shares”	ordinary shares of 1p each in the capital of OT1 (and each an “OT1 Share”)
“OT1 Transfer Agreement”	the agreement between the Company and OT1 (acting through the Liquidators) for the transfer of all of the assets and liabilities of OT1 by the Liquidators to the Company pursuant to the OT1 Scheme
“OT2M” or “Investment Manager”	OT2 Managers Limited, being the Company’s appointed investment manager

“OT3”	Oxford Technology 3 Venture Capital Trust Plc, registered in England and Wales under number 04351474, whose registered office is at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA
“OT3 Board”	the board of directors of OT3
“OT3 Circular”	the circular to OT3 Shareholders dated 18 May 2022
“OT3 First General Meeting”	the general meeting of OT3 to be held on 20 June 2022 (or any adjournment thereof)
“OT3 Interim Report”	the unaudited interim report for OT3 for the twelve month period ended 28 February 2022
“OT3 Meetings”	the OT3 First General Meeting and the OT3 Second General Meeting
“OT3 Second General Meeting”	the general meeting of OT3 to be held on 30 June 2022 (or any adjournment thereof)
“OT3 Scheme”	the proposed merger of the Company with OT3 by means of placing OT3 into members’ voluntary liquidation pursuant to section 110 of IA 1986 and the acquisition by the Company of all of OT3’s assets and liabilities in consideration for Consideration Shares, as described in this Circular
“OT3 Shareholders”	holders of OT3 Shares (and each an “OT3 Shareholder”)
“OT3 Shares”	ordinary shares of 1p each in the capital of OT3 (and each an “OT3 Share”)
“OT3 Transfer Agreement”	the agreement between the Company and OT3 (acting through the Liquidators) for the transfer of all of the assets and liabilities of OT3 by the Liquidators to the Company pursuant to the OT3 Scheme
“OT4”	Oxford Technology 4 Venture Capital Trust Plc, registered in England and Wales under number 05038854, whose registered office is at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA
“OT4 Board”	the board of directors of OT4
“OT4 Circular”	the circular to OT4 Shareholders dated 18 May 2022
“OT4 First General Meeting”	the general meeting of OT4 to be held on 20 June 2022 (or any adjournment thereof)
“OT4 Interim Report”	the unaudited interim report for OT4 for the twelve month period ended 28 February 2022
“OT4 Meetings”	the OT4 First General Meeting and the OT4 Second General Meeting
“OT4 Second General Meeting”	the general meeting of OT4 to be held on 30 June 2022 (or any adjournment thereof)
“OT4 Scheme”	the proposed merger of the Company with OT4 by means of placing OT4 into members’ voluntary liquidation pursuant to section 110 of IA 1986 and the acquisition by the Company of all of OT4’s assets and liabilities in consideration for Consideration Shares, as described in this Circular
“OT4 Shareholders”	holders of OT4 Shares (and each an “OT4 Shareholder”)

“OT4 Shares”	ordinary shares of 1p each in the capital of OT4 (and each an “OT4 Share”)
“OT4 Transfer Agreement”	the agreement between the Company and OT4 (acting through the Liquidators) for the transfer of all of the assets and liabilities of OT4 by the Liquidators to the Company pursuant to the OT4 Scheme
“OTM” or “Investment Adviser”	Oxford Technology Management Ltd, being the Company’s current investment adviser
“Permitted Non-Qualifying Investments”	an investment which falls within section 274(3A) ITA 2007
“Pricing Formula”	the formula to calculate the number of Leisure Shares to be issued by the Company in respect of a successful Applicant as set out on page 42 of the Prospectus
“Proposals”	the proposals to acquire the assets and liabilities of OT1, OT3 and OT4 pursuant to the Schemes, the Offer and to pass the Resolutions
“Prospectus”	the prospectus issued by the Company dated 18 May 2022 as published on the Company’s website at www.oxfordtechnologyvct.com/vct2.html
“Qualifying Company”	an unquoted (including an AIM-listed) company which satisfies the requirements of Chapter 4 of Part 6 of ITA 2007
“Qualifying Investment”	an investment in a Qualifying Company satisfying the requirements of Chapter 4 of Part 6 of ITA 2007
“Qualifying Investor”	an individual aged 18 or over who is resident in the United Kingdom and who invested in the Companies or who invests in the Company pursuant to the Offer
“Record Date”	the record date to which entitlements will be allocated pursuant to the Merger, anticipated as being 29 June 2022
“Registrar”	Neville Registrars Limited of Neville House, Steelpark Road, Halesowen, B62 8HD
“Resolutions”	each of the resolutions to be proposed at the General Meeting (and each a “Resolution”)
“Schemes”	the OT1 Scheme, the OT3 Scheme and the OT4 Scheme
“Section 593 Reports”	The valuation reports on the assets and liabilities of each of the Target VCTs which are to be transferred to the Company as part of the Merger, which will be prepared by the Independent Valuer (and “Section 593 Report” means any one of them (as the context so requires))
“Shareholders”	holders of Shares (and each a “Shareholder”)
“Shares”	the Ordinary Shares and, once issued and allotted, the New Shares (and each a “Share”)
“Target VCTs”	each of OT1, OT3 and OT4 (and each a “Target VCT”)

“Target VCT Boards”	the boards of directors of each of the Target VCTs
“Target VCT Circulars”	collectively, the OT1 Circular, the OT3 Circular and the OT4 Circular
“Target VCT First General Meetings”	the OT1 First General Meeting, the OT3 First General Meeting and the OT4 First General Meeting
“Target VCT General Meetings”	the Target VCT First General Meetings and the Target VCT Second General Meetings
“Target VCT New Share Pools”	together, the New OT1 Share Pool, the New OT3 Share Pool and the New OT4 Share Pool
“Target VCT Second General Meetings”	the OT1 Second General Meeting, the OT3 Second General Meeting and the OT4 Second General Meeting
“Target VCT Shares”	the OT1 Shares, OT3 Shares and OT4 Shares
“Target VCT Shareholders”	the OT1 Shareholders, OT3 Shareholders and OT4 Shareholders
“TCGA 1992”	the Taxation of Chargeable Gains Act 1992, as amended
“Transfer Agreements”	the OT1 Transfer Agreement, the OT3 Transfer Agreement and the OT4 Transfer Agreement
“UK”	the United Kingdom
“VCT” or “venture capital trust”	as defined in section 259 ITA 2007
“VCT Rules”	the legislation, rules and HMRC interpretation and practice regulating the establishment and operation of venture capital trusts

PART I

LETTER FROM THE CHAIRMAN

OXFORD TECHNOLOGY 2 VENTURE CAPITAL TRUST PLC

*(To be renamed "EDITION VCT PLC" subject to the first allotment of Leisure Shares)
(Registered in England and Wales with registered number 03928569)*

Directors:

Richard Roth (*Chairman*)
Alex Starling
Robin Goodfellow
David Livesley

Registered Office:

Magdalen Centre
Oxford Science Park
Oxford, Oxfordshire
OX4 4GA

18 May 2022

Dear Shareholder

Recommended proposals to merge with Oxford Technology Venture Capital Trust Plc (OT1), Oxford Technology 3 Venture Capital Trust Plc (OT3) and Oxford Technology 4 Venture Capital Trust Plc (OT4) and an offer for subscription to raise up to £10 million with an over-allotment facility for a further £10 million through the issue of Leisure Shares

Introduction

On 4 March 2022, the Board, the OT1 Board, the OT3 Board and OT4 Board announced that they had entered into discussions regarding the merger of the Companies (**Merger**) and, concurrently with the Merger, the Company intends to issue a new class of ordinary share by way of an offer for subscription to raise up to £10 million to invest in investments focussed on leisure (with an over-allotment facility of £10 million) (**Offer for Subscription**).

The Company also announced that it intended to engage Edition Capital Investments Limited (**Edition**) to be investment manager with responsibility for this new share class.

The Board and the Target VCTs' Boards consider that the interests of the shareholders of the Company and the Target VCTs' Shareholders will each be better served by a single, larger VCT with reduced annual running costs per share.

The most cost-effective way (and, in the Board's view, the most equitable way) to achieve this is to undertake Schemes whereby each Target VCT is placed into members' voluntary liquidation and all of the assets and liabilities of the three Target VCTs are transferred to the Company in exchange for the issue of Consideration Shares to the Target VCT Shareholders with each Target VCT Shareholder receiving a Consideration Share of the corresponding class on a "one for one" basis for each Target VCT Share held as set out in the table below.

Pre-Merger Shares of Target VCTs***Post-Merger Share Classes of the Company relating to the Target VCTs***

OT1 Shares

New OT1 Ordinary Shares

OT3 Shares

New OT3 Ordinary Shares

OT4 Shares

New OT4 Ordinary Shares

The Consideration Shares to be issued pursuant to the Schemes are only being offered to the existing shareholders of the Target VCTs. A total of up to 23,203,197 Consideration Shares (comprising 5,431,655 New OT1 Ordinary Shares, 6,254,596 New OT3 Ordinary Shares and 11,516,946 New OT4 Ordinary Shares) are expected to be allotted pursuant to the Merger (assuming no dissenting shareholders and that no OT4 Shares are bought back by OT4 pursuant to its small proposed buyback in June 2022, as announced on 22 April 2022).

In addition, the Company proposes to issue the Leisure Shares by way of the Offer for Subscription, providing Shareholders and Investors with the opportunity to invest in the Company and benefit from the

tax reliefs available to Qualifying Investors. It is proposed that the name of the Company be changed to "Edition VCT Plc" immediately following the first Admission of the Leisure Shares.

Subject to implementation of each of the Schemes and the first Admission of Leisure Shares pursuant to the Offer, the Company will have five listed share classes, each having its own separate portfolio of assets and liabilities, managed on a stand-alone basis with Edition as investment manager pursuant to the Company's revised investment policy (as described further on pages 23 and 24). Given its knowledge of the existing portfolios and sectors in which the Company and the Target VCTs have invested, OTM (the current investment adviser for the Company and each of the Target VCTs) will be retained by the Company and Edition as portfolio monitor in respect of the assets and liabilities comprised in each of the share classes, other than the Leisure Shares.

In connection with the Merger and Offer, the Company has also published the Prospectus, which has been published on the Company's website at www.oxfordtechnologyvct.com/vct2.html. The Prospectus has been produced to enable the Consideration Shares to be issued pursuant to the Merger and to enable the launch of the Offer to raise funds for the Company by the issue of the Leisure Shares, to be invested by the Company in accordance with its revised investment policy (see below).

This Circular contains notice of a General Meeting to be held on 20 June 2022 setting out resolutions to approve, *inter alia*, the Schemes, the allotment of New Shares, the disapplication of pre-emption rights which are required to allot the New Shares, the adoption of the New Articles, material changes to the Company's investment policy and, in addition, a resolution to approve the Amended IMA with the Investment Manager (further details are set out below). The approval of Existing Shareholders is required under CA 2006 and the Articles to authorise the allotment of the New Shares, approve the disapplication of pre-emption rights, grant authority to buyback the Shares, cancel the amount standing to credit of the share premium account and capital redemption reserve of the Company as well as to amend the Articles. The Investment Manager is regarded as a related party of the Company under the Listing Rules and entry into the Amended IMA constitutes a related party transaction for the purpose of the Listing Rules and requires Existing Shareholders' approval. The Listing Rules also require the changes to the investment policy to be approved by Existing Shareholders.

Background

The Company and each of the Target VCTs were admitted to the premium segment of the Official List between 1997 and 2004, with very similar investment policies and, over the years, the four VCTs have co-invested in many investments. Each of the Company and the Target VCTs are currently in a period of investment realisation but this is likely to take several more years and the timing is not within the Companies' control.

Given the proposals being made in respect of the Offer (and therefore the requirement to publish the Prospectus), the Board believes that this has presented a good opportunity to progress the Merger, which the Companies have considered for some time. The current size and structure of the Companies are broadly similar and the Board believes that a merger of the Company with the Target VCTs will create a larger VCT with reduced running costs which will be in a better position to realise current investments at the right time and achieve the best value for all shareholders.

The Board has continued to consider a number of options in relation to the future direction of the Company, given:

- the Company's overall investment performance;
- the continuing running costs of the Company in the context of the asset base of the Company;
- the unpredictability of realisations of the investments of the Company (and the Target VCTs) to enable capital to be returned to their shareholders (the Board and the Target VCT Boards believe that an accelerated sale of investments by any of the Companies would not achieve good shareholder value even when balanced against the ongoing running costs of the Companies); and
- the Directors are aware that a number of shareholders in the Company (and OT1 and OT3) have deferred capital gains which would crystallise in the event of a liquidation of those entities.

The purpose of this document is, therefore, to set out proposals for the Merger and the Offer for consideration and to seek approval from Existing Shareholders for such proposals.

The Board and the Target VCT Boards believe that the Schemes provide an efficient way of merging the Companies with a lower level of costs than other merger routes. As all Companies have a very similar investment objective and policy, are all self-managed and have other common advisers and common investments, the Merger should be achievable without major disruption to the Companies' portfolio of investments.

The Merger is expected to complete on 30 June 2022 and will be effected by way of schemes of

reconstruction pursuant to which the Target VCTs will be placed into members' voluntary liquidation and all of their assets and liabilities transferred to the Company in exchange for new Shares in the Company. The Merger is expected, in time, to deliver cost savings and other benefits to all of the Companies' shareholders which the boards of each of the Companies believe is in line with the strategy to expand the size of their respective net asset bases and be better positioned to improve shareholder value.

The Board also believes that, in time, there will be other benefits for Shareholders arising from participating in a larger company with an increased net asset base, including simplifying the process for the Companies to ensure compliance with the VCT Rules and a reduced need to maintain liquid assets allowing the Company to consider making additional returns to Shareholders.

The Merger

Benefits and features

The Board reviews the costs of managing the Company on a regular basis. Some costs are necessarily incurred by every VCT and cannot easily be reduced. For instance, VCTs are required to be listed on a recognised exchange, such as the premium segment of the Official List, which involves a considerable level of costs associated with the listing as well as related fees to ensure compliance with all relevant legislation and regulations. Some costs are linked to net assets and others are fixed or have a fixed element.

The Merger Regulations allow VCTs to be acquired by, or to merge with each other, without prejudicing the VCT tax reliefs obtained by their shareholders. A number of VCTs have taken advantage of these regulations to create larger VCTs for economic and administrative efficiencies. Whilst cost and administrative efficiencies are an important element, there are also wider operational benefits such as being able to further diversify the portfolio, facilitate increasing returns to shareholders and make a VCT more economically viable as an evergreen fund for investors.

In recommending the Merger, the principal benefits and features that the Board and Target VCT Boards have taken into account are set out below:

- An enlarged entity with assets immediately post Merger of approximately £11 million (or approximately £21 million assuming full subscription under the Offer, but ignoring the over-allotment facility).
- A payback period of between 9 and 36 months based on the estimated Merger costs and annual cost savings post Merger (which varies depending on whether and when Leisure Shares are first issued and how many of the Schemes proceed, as described further below).
- An enlarged entity better positioned to raise further funds and implement the revised investment strategy.
- It will be easier for the Enlarged Company to maintain compliance with the VCT Rules (including, without limitation, the 15% and 80% rules (as described further on page 78 of the Prospectus)) which will mean that assets which might otherwise have been realised simply to provide liquidity for the Companies can be retained until the appropriate time for realisation.
- It will enable shareholders of the Companies who invested to shelter capital gains to retain their holdings in a VCT and manage out their tax liabilities in an orderly fashion (rather than the Companies undertaking an accelerated sale of investments and liquidating as the alternative, which may provide less than optimal results).
- It will enable shareholders with holdings across the Company and the Target VCTs to manage their investments within a single entity, thereby simplifying their portfolio administration.
- The ability to consider investment realisations and create liquidity events for all of the Companies' Shareholders and support dividend payments.

Rights attached to the Consideration Shares

The Consideration Shares will have the following rights:

Income

The holders of New OT1 Ordinary Shares, New OT3 Ordinary Shares and New OT4 Ordinary Shares shall be entitled to such profits as are attributable to the assets within their distinct share pools as the Directors resolve to pay from time to time.

Capital

Upon a return of capital or winding up, the holders of New OT1 Ordinary Shares, New OT3 Ordinary Shares and New OT4 Ordinary Shares shall be entitled to the capital and assets attributable to the assets

within their distinct share pools.

Voting

The holders of New OT1 Ordinary Shares, New OT3 Ordinary Shares and New OT4 Ordinary Shares shall be entitled to vote *pari passu* with the holders of Ordinary Shares and Leisure Shares and, on a poll, each Shareholder shall be entitled to one vote for every Share held.

Redemption

None of the Consideration Shares are redeemable.

Conversion

In the event that the Net Asset Value of any of the Company's share classes should fall below 5p per share (or otherwise with Shareholder approval), the Directors may resolve that such shares shall convert into any other class of share in the capital of the Company. In such circumstances, the number of shares into which a class will convert will be determined by reference to the relative Net Asset Values of the two relevant classes of shares as determined by the Directors (and confirmed by the Company's auditors as being arithmetically accurate).

Pre-emption

The Company will be subject to the continuing obligations of the FCA and the London Stock Exchange with regard to the issue of securities for cash and the provisions of section 561 of the Act (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the Company to the extent any such issues are not subject to the disapplication by Shareholders from time to time.

Registered form

Consideration Shares will be issued in registered form (and in the same certificated or uncertificated form as Target VCT Shareholders currently hold their shares in the Target VCTs) and will be freely transferable in both certificated and uncertificated form. Where applicable, it is anticipated that definitive share certificates will be issued within 10 Business Days of allotment. Consideration Shares will be capable of being transferred by means of the CREST system. Investors who wish to take account of the ability to trade their Consideration Shares in uncertificated form (and who have access to a CREST account) may arrange through their professional manager to convert their holding into dematerialised form.

Withdrawal

There are no rights of withdrawal applicable to the Consideration Shares.

Merger costs and cost savings

The estimated total incremental Merger costs are circa £250,000 (including professional fees, FCA and London Stock Exchange fees, stamp duty, VAT and the costs of winding up the Target VCTs) of which Edition has agreed to pay circa £57,000. The net costs of the Merger which are not being covered by Edition will be split (together with certain other costs) equally between the Companies.

The projected Annual Running Costs of the Enlarged Company are estimated to be circa £165,000 (1.5% of the expected net assets of the Enlarged Company of £11.1 million immediately post Merger (ignoring the Offer)). This compares to £248,000 in aggregate for the Companies (2.2% of their aggregate unaudited net assets as at 28 February 2022) based on the unaudited Annual Running Costs for the 12 month period ended 28 February 2022 for each of the Companies.

Whilst the Board will continue to keep a tight control on costs, the Annual Running Costs will increase following the issue of Leisure Shares. However, given the cost cap that has been agreed with Edition (see below), no Annual Running Costs will be chargeable to the Ordinary Share Pool, the New OT1 Share Pool, the New OT3 Share Pool or the New OT4 Share Pool during the Initial Period. In the year to 28 February 2022, the Company's total expense ratio was 4.5% of net assets and this ratio in respect of the Ordinary Share Pool will reduce to just 0.5% of its NAV following the first Admission of Leisure Shares (similarly, the expense ratios of OT1 will reduce from 2.6% to 0.25% of its NAV in the New OT1 Share Pool, OT3 from 3.1% to 0.5% of its NAV in the New OT3 Share Pool and OT4 from 2.9% to 0.5% of its NAV in the New OT4 Share Pool).

Pursuant to the terms of the Edition IMA, Edition has agreed to cap the Annual Running Costs such that, during the Initial Period, the Annual Running Costs shall be solely allocated to the Leisure Share Pool and shall not exceed 1% of the weighted average Net Asset Value of the Leisure Share Pool (plus up to 50% of the charges for all trail commissions incurred by the Company).

Edition has agreed to indemnify the Company, with effect from the start of the quarter in which the first

Admission of the Leisure Shares takes place, to give effect to these cost cap arrangements.

After the Initial Period, Edition and OTM have each agreed to cap the Annual Running Costs such that they shall not exceed 1% of the weighted average Net Asset Value of the Company (plus up to 50% of the charges for all trail commissions incurred by the Company) and such costs will be allocated to, and borne by, the Leisure Share Pool, the Ordinary Share Pool and the Target VCT New Share Pools pro rata to their respective Net Asset Values during the periods in question. To the extent that this cap on Annual Running Costs should be breached, Edition and OTM shall indemnify the Company proportionately based on the investment management, portfolio monitoring and administration fees payable to them (as the case may be) in respect of the period in question.

Assuming that (i) each of the Schemes is approved and (ii) the Offer proceeds, the Board has calculated that the costs of the Merger will be recovered (through both the cap on Annual Running Costs as referred to above and the saving of costs which would otherwise have been incurred by the Company and/or the Target VCTs) within 9 months of the first Admission of Leisure Shares.

In the event that the Offer proceeds but only one of the Schemes is approved, the Board has calculated that the costs of the Merger will still be recovered (through both the cap on Annual Running Costs as referred to above and the saving of costs which would otherwise have been incurred by the Company and the relevant Target VCT which is the subject of the Merger) within 9 months of the first Admission of Leisure Shares. This is because the majority of the Annual Running Costs will be borne by the Leisure Shares in these circumstances, supported by the costs cap indemnity from Edition.

In the event that any of the Schemes proceed but no Leisure Shares are ever issued or allotted, the Board has calculated that the costs of the Merger will be recovered (through the saving of costs which would otherwise have been incurred by the Company and the relevant Target VCTs) within 36 months of completion of the Merger.

In the event that none of the Schemes are approved, the Company and the Target VCTs will still be responsible for abort costs in the aggregate amount in the region of £100,000, which will not be recovered through any anticipated cost savings.

The Schemes

The mechanism by which the Merger will be completed is as follows:

- each Target VCT will be placed into members' voluntary liquidation pursuant to a scheme of reconstruction under section 110 of IA 1986; and
- all of the assets and liabilities of each Target VCT will be transferred to the Company in consideration for the issue of Consideration Shares to the Target VCT Shareholders corresponding to the class of Target VCT Share they held in the Target VCT.

The Merger will not affect the economic rights conferred on the holders of the Company's existing Shares with the assets and liabilities allocated to the Company's existing share class remaining the same. The assets and liabilities transferred to the Company from the Target VCTs as a result of the Merger are to be allocated to the Consideration Shares on the same basis as they were allocated to each Target VCT.

In light of the multiple new share classes in the Company as a result of the Merger and Offer, it will be necessary for the Company to adopt the New Articles and amend its existing investment policy. Accordingly, proposals are also being presented to Shareholders at the General Meeting to update the Company's investment policy and adopt the New Articles.

As required by section 593 CA 2006, prior to the allotment of the Consideration Shares, the Company will be issuing to the Target VCTs' Shareholders, and uploading on to the Company's website, valuation reports which will be prepared by the Independent Valuer (**Section 593 Reports**). The Section 593 Reports will confirm to the Company that the value of the Target VCTs' assets and liabilities which are being transferred to the Company as part of the Merger are not less than the aggregate amount treated as being paid up on the Consideration Shares being issued to the Target VCTs' Shareholders pursuant to the Schemes. It is expected that the Section 593 Reports will be made available to the Target VCTs' Shareholders on or about 24 June 2022.

The portfolios of assets which will be transferred to the Company by the Target VCTs as part of the Schemes will be in line with the Company's proposed investment policy (and will be managed in accordance with the same). The extent of the liabilities (if any) which will be transferred to the Company by the Target VCTs as part of the Schemes will be those which are incurred in the ordinary course of business, together with a share of the Merger costs (which remain unpaid at the time of transfer). Any such liabilities are expected to be nominal in comparison to the value of the assets being acquired.

Following the transfer of the assets and liabilities by the Target VCTs to the Company, the listing of the Target VCT Shares will be cancelled and the Target VCTs will be wound up.

Each Scheme is conditional upon:

- the passing of Resolutions 1 (relating to the OT1 Scheme), 2 (relating to the OT3 Scheme), 3 (relating to the OT4 Scheme), 5, 6 and 8 to be proposed at the General Meeting;
- the passing of each of the resolutions to be proposed at the Target VCT General Meetings;
- notice of dissent under section 111 of IA 1986 not having been received from shareholders of the relevant Target VCT who hold more than 10% in nominal value of that Target VCT's issued share capital (this condition may be waived by the relevant Target VCT Board and the Board);
- each Target VCT confirming to the Company that, in each case, it has not received any notice of any claims, proceedings or actions of whatever nature threatened or commenced, as relevant, against the Target VCT which the Board regard as material; and
- each Target VCT and the Company maintaining VCT status.

If not all of the conditions set out above have been satisfied by 30 September 2022, it is possible that none of the Schemes shall become effective and the Company may continue in its current form.

The Schemes are not conditional upon each other and any Scheme that is approved will proceed and become effective immediately after the passing of the special resolution for the winding up of the relevant Target VCT (in each case expected to be 30 June 2022).

On the Effective Date, the Liquidators shall receive all the cash, undertakings and other assets and liabilities of the Target VCTs and shall deliver to the Company:

- particulars of all of the assets and liabilities of the Target VCTs;
- a list (certified by the registrars of each Target VCT) of the names and addresses of, and the number of Target VCT Shares held by, each of the Target VCT Shareholders on the register at 6.00 p.m. on the Record Date;
- an estimate of the winding-up costs of the Target VCTs which will form part of the costs of the Schemes; and
- the amount estimated to be required to purchase the holdings of any dissenting Target VCT Shareholders (if any).

On the Effective Date, the Company and the Liquidators (on behalf of the Target VCTs) will enter into the Transfer Agreements (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of the Target VCTs to the Company in exchange for the issue of Consideration Shares (credited as fully paid up) to the Target VCT Shareholders on the basis set out in the Prospectus.

In further consideration of such transfer of assets and liabilities of the Target VCTs to the Company, the Company will, pursuant to the Transfer Agreements, undertake to pay (using funds from the Target VCTs where applicable) all liabilities incurred by the Liquidators including, but not limited to, the implementation of the Merger, the winding up of the Target VCTs and the purchase for cash of any holdings of dissenting shareholders in the Target VCTs.

Further information relating to the Schemes' terms are set out in Part II of this document. Details of the risks relating to the Schemes and the Company are set out in Part III of this document.

The Offer

The Board has decided to take the opportunity to raise further funds through an offer for subscription. This will provide Shareholders and new Investors with the opportunity to invest in the Company and benefit from the tax reliefs available to Qualifying Investors.

The Board believes that there are attractive opportunities to make further growth investments in order to generate returns for Investors as Edition (which is to be appointed as investment manager of the Company in respect of the new class of Leisure Shares) continues to experience strong deal flow and is seeing a significant number of high quality private equity investment opportunities. Funds raised under the Offer will allow the Company to take advantage of the continuing flow of investment opportunities being received by Edition and further increase the net assets of the Company and portfolio diversification in line with the current strategy of the Company. Funds raised will also be used in due course to fund payment of dividends and market purchases of Shares and to meet annual running costs.

Pursuant to the terms of the Offer Agreement (as described further in paragraph 5.1.4 of Part V), Edition is being appointed as Promoter of the Offer and has undertaken to the Company to use its reasonable

endeavours to procure subscribers for the Leisure Shares on the terms and subject to the conditions set out in the Prospectus and in the Offer Agreement.

Other details of the Offer

Edition is an established investment and advisory house with a focus on leisure investments. Edition has been manager to the Edition EIS fund since 2016 and to the Edition Capital Projects fund since 2021. The investment management team have, prior to the date of this document, raised in excess of £50 million for these two funds, demonstrated execution of appropriate investments that match the investment strategy shared with investors in the relevant investment management agreement, invested on behalf of the funds and managed the risk and portfolio during the life of the funds. Additionally, the four founding partners of Edition were responsible for the management of other venture capital trusts (as well as other EIS investments) prior to starting Edition in 2016. Further information on Edition and its management team can be found in Part IV on pages 56 to 63 of the Prospectus.

The Offer is conditional upon, *inter alia*, the approval of Existing Shareholders at the General Meeting. The Offer is not, however, conditional on the Merger.

The Board believes that the Offer is an attractive investment opportunity for both Existing Shareholders and new Investors.

The price at which the Leisure Shares will be issued to an Investor is determined by the Pricing Formula (as detailed in the Prospectus). The Pricing Formula takes into account the up-front costs applicable to the relevant type of Investor to generate a bespoke Offer price for each Investor. The use of the Pricing Formula allows all Investors to be treated equally in respect of their investment net of their particular costs incurred.

Full details of the Offer are set out in the Prospectus. The Offer opens on 18 May 2022 and will close (unless fully subscribed earlier or otherwise at the discretion of the Board) at 12.00 noon on 16 May 2023. The Offer will not be extended to a date later than 12 months following publication of the Prospectus.

Applicants must subscribe a minimum in aggregate of £3,000 and thereafter in multiples of £500. The Offer is not underwritten. The full terms and conditions of the Offer can be found at the end of the Prospectus. Applications will be accepted on a first come, first served basis (subject always to the Board's discretion). The Leisure Shares will be issued in certificated form (unless otherwise agreed by the Company), however, can be subsequently transferred into CREST by an Investor.

Rights attached to the Leisure Shares

The new class of "Leisure" ordinary shares to be issued pursuant to the Offer will form a separate pool of capital of the Company (distinct from the existing pool of capital represented by the Ordinary Shares and the pools of capital to be created in respect of the Schemes). The funds in the pool represented by the Leisure Shares will be invested in accordance with the Company's revised investment policy and under the guidance of Edition as new investment manager.

The Leisure Shares will have the following rights:

Income

The holders of Leisure Shares shall be entitled to such profits as are attributable to the assets within their distinct share pool as the Directors resolve to pay from time to time.

Capital

Upon a return of capital or winding up, the holders of Leisure Shares shall be entitled to the capital and assets attributable to the assets within their distinct share pool.

Voting

The holders of Leisure Shares shall be entitled to vote *pari passu* with the holders of Ordinary Shares and Consideration Shares and, on a poll, each Shareholder shall be entitled to one vote for every Share held.

Redemption

None of the Leisure Shares are redeemable.

Conversion

In the event that the Net Asset Value of any of the Company's share classes should fall below 5p per share (or otherwise with Shareholder approval), the Directors may resolve that such shares shall convert into any other class of share in the capital of the Company. In such circumstances, the number of shares into which a class will convert will be determined by reference to the relative Net Asset Values of the two relevant classes of shares as determined by the Directors (and confirmed by the Company's auditors as

being arithmetically accurate).

Pre-emption

The Company will be subject to the continuing obligations of the FCA and the London Stock Exchange with regard to the issue of securities for cash and the provisions of section 561 of the CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the Company to the extent any such issues are not subject to the dis-application by Shareholders from time to time.

Registered form

The Leisure Shares will be issued in registered form and will be freely transferable in both certificated and uncertificated form and it is anticipated that definitive share certificates will be issued within 10 Business Days of allotment. Leisure Shares will be capable of being transferred by means of the CREST system. Investors who wish to take account of the ability to trade their Leisure Shares in uncertificated form (and who have access to a CREST account) may arrange through their professional manager to convert their holding into dematerialised form.

Withdrawal

The Offer may not be withdrawn after dealings in the Leisure Shares have commenced. In the event of any requirement for the Company to publish a supplementary prospectus, Applicants who have yet to be entered into the Company's register of members will be given two days to withdraw their subscription. In the event that notification of withdrawal is given by post, such notification will be effected at the time the Applicant posts such notification rather than at the time of receipt by the Company.

The Enlarged Company

Investment Manager

OT2 Managers Limited is appointed as investment manager to the Company pursuant to the Existing IMA.

The services regarding the creation, management and monitoring of the Company's investment portfolio are currently subcontracted to OTM by the Company's investment manager, OT2M. OTM is the Company's manager for the purposes of the AIF Regulations.

Subject to, and conditional upon, the Merger becoming unconditional and the approval of Existing Shareholders (as a related party transaction for the purposes of Chapter 11 of the Listing Rules), the Amended IMA between the Company and OT2M shall come into effect. Pursuant to the terms of the Amended IMA, OT2M shall continue in its capacity as investment manager for an interim period pending the first Admission of Leisure Shares.

With effect from the first Admission of Leisure Shares, Edition will replace OT2M as the Company's investment manager (being appointed pursuant to the terms of the Edition IMA) and enter into a new agreement with OTM in relation to its role as portfolio monitor in respect of the assets attributable to the Ordinary Shares and the Consideration Shares. The Company's arrangements with OT2M (pursuant to the Existing IMA or the Amended IMA (as the case may be)) and its subcontract with OTM will, therefore, be terminated with effect from the first Admission of Leisure Shares. Edition will also replace OTM as the Company's investment manager for the purposes of the AIF Regulations with effect from the first Admission of Leisure Shares.

Further details of these arrangements (including a summary of the terms and conditions thereof) are set out in paragraph 5 of Part V of this document.

Investment Policy

The Company will seek Shareholder approval to change its investment policy at the General Meeting. The proposed change will provide for a more generic policy of investing in unquoted companies. The proposed change to the investment policy will also better encompass the investments which are intended to be acquired from the Target VCTs as part of the Merger. It will also cover the various different share class funds which will exist going forwards (each of which will be managed in accordance with the revised investment policy). This proposed change to the investment policy is not expected to adversely impact on the risk profile of the Company and/or its investments or have any impact on the existing share class of the Company.

The change to the investment policy is not subject to any part of the Merger being effected. Each Scheme is, however, subject to the approval by Existing Shareholders of the change to the investment policy as it will immediately apply to the funds brought across as part of the Merger process.

The existing investment policy and the proposed investment policy is set out in full below:

Existing Investment Policy

The investment policy of the Company is to construct a portfolio of qualifying investments with the following characteristics at the time of initial investment:

- technology-based businesses;
- investments typically in the range of £100k to £500k, although a few investments outside this range will be contemplated;
- generally located within approximately 60 miles of Oxford.

It is expected that approximately two-thirds of the funds will be invested in early stage companies and the balance in start-up companies, depending on the opportunities available. The Company defines these companies as follows:

- early stage companies are those which have achieved some initial sales;
- start-up companies are those which are at an earlier stage; they will usually have already developed their initial product or service and be close to achieving their first sales.

The investee companies sought will usually be those which, within their market sector, can be developed as relatively non-capital intensive knowledge-based businesses; a very important element in the selection process will be an assessment of the key people involved in business.

Within a 60-mile radius of Oxford (which includes, for example, North and West London, Birmingham, Reading and the Thames Valley region as a whole), there are several centres of technological excellence both within and outside the universities employing individuals with talent for technology-based innovation (such as the Oxford and Reading Universities, Imperial College, London and AEA Technology plc). OT2 is likely to be investing both in technologies being transferred out of centres of excellence and also in existing technology companies.

The geographical focus described above is considered important as OT2 intends to be an active investor assisting investee companies to develop their full potential. The Directors consider it essential that direct contact is maintained with investee companies regularly and easily.

The investment policy of OT2 will be to achieve an acceptable risk-reward ratio for the portfolio as a whole, by virtue of the number of investments which will be made. It is expected that, subject to the level of valid subscriptions received under the offer, up to 20 investments will be made over a three-year period.

A portfolio of this size achieves a practical balance between laying off risk and ensuring that investment executives of Seed Capital (now known as Oxford Technology Management) are able to devote a significant amount of time to each portfolio company so as to help manage the business risk within portfolio companies.

In general, it is expected that investments will be made by subscribing for ordinary shares and preference shares, sometimes combined with loans. It is envisaged that successful investee companies will pay interest on loans or dividends on preference shares to OT2 before it achieves an exit from such investee companies.

It is intended that, by April 2003, about 75 per cent of the net funds subscribed will have been invested in qualifying investments leaving the balance available for follow-on investment, if required. Although the Directors have no present intention of utilising the Company's borrowing powers contained in its Articles of Association, the Company may in appropriate circumstances borrow funds.

When appropriate, particularly when the funding requirement is greater than the amount the Company wishes to invest and where it is desirable to broaden the investor base, investments may be syndicated with other venture capital funds, private individuals (including the Directors and/or shareholders in the company) or corporations. The investment manager (Larpent Newton & Company Limited) and the Investment Adviser (Seed Capital Limited – now known as Oxford Technology Management) together have close links with other venture capital institutions and with a wide range of private investors who have previously made investments or shown interest in investing in early stage and start-up technology companies. The investment manager and the Investment Adviser have undertaken to give OT2 the first opportunity to invest in projects identified by either of them for investments in companies engaged in science or technology located within a 60-mile radius of Oxford.

Proposed Investment Policy

The Company will target unquoted companies which meet the relevant criteria under the VCT Rules and which it believes will achieve the objective of producing attractive income and capital return for Shareholders.

Qualifying Investments

At least the minimum required percentage of the Company's assets will be invested in Qualifying Investments as required by the VCT Rules. Compliance with required rules and regulations is to be considered with all investment decisions made. The Company is further monitored on a continual basis to ensure such compliance.

Permitted Non-Qualifying Investments

The funds not employed in VCT Qualifying Investments will be invested in Permitted Non-Qualifying Investments as allowed by the VCT Rules. These will typically be cash deposits and investments in quoted securities, investment trusts or OEICs.

Asset Mix

Specific share pools of the Company may have a focus on certain sectors according to the strategy of that specific share pool.

The share pool for the Ordinary (or OT2) Shares and the new share pools for the OT1, OT3 and OT4 Ordinary Shares will be significantly invested in established technology sector companies. These share pools are in a period of investment realisation but with no specified timing, therefore there may be the opportunity to make additional investments.

In addition, the Company will establish a further new share pool that intends to invest in early stage, UK leisure companies seeking an injection of growth capital to support their continued development. The funds raised for this new share pool will be invested as required by the VCT Rules.

Any uninvested funds in any of the share pools will be held in cash and a range of permitted liquidity investments.

Risk Diversification

Risk in the share pools for the Ordinary (or OT2) Shares and the OT1, OT3 and OT4 Ordinary Shares will be spread by their investment in a number of different established companies. Concentration risk fluctuates and at times can be fairly high given investment realisations and the change to the value of individual companies within each such share pool.

Risk in the new share pool for the Leisure Shares will be spread by investing in a number of different companies focused on the leisure sector. These companies will be at different stages of development and have different target markets.

The Directors seek to control the overall risk of the share pools by ensuring that the Company has exposure to a range of unquoted companies.

In order to limit concentration risk in the share pools that is derived from any particular investment, at the point of investment no more than 15% of the Company by VCT value will be in any one company, as limited by the VCT Rules. The merger with Oxford Technology VCT Plc, Oxford Technology 3 VCT Plc and Oxford Technology 4 VCT Plc will not be restricted by this requirement.

Borrowing

Whilst the Board does not intend that the Company will borrow funds (other than to manage short term cash requirements), the Company is entitled to do so subject to the aggregate principal amount at the time of borrowing not exceeding 25% of the asset value of the Company.

Changes to the Investment Policy

The Company will not make any material changes to its Investment Policy without Shareholder approval.

Co-investment Policy

The Company may invest alongside other funds managed or advised by Edition. Where more than one fund is able to participate in an investment opportunity, allocations will generally be made in proportion to the funds available to each fund, other than where a fund has a pre-existing investment where the incumbent fund will have priority. Implementation of this policy will be subject to the availability of monies to make the investment and other portfolio consideration, such as the portfolio diversity and the need to maintain VCT status.

Board Composition

The Board has four directors; myself (chairman), Alex Starling, Robin Goodfellow and David Livesley. The boards of OT1, OT3 and OT4 have the same directors. It is intended that that the Board will remain the same following completion of the Merger. The Board has put in place corporate governance arrangements which it believes are appropriate for a venture capital trust and that will enable the Company to operate

within the spirit of the Code. The Board regularly reviews the independence of its members and is satisfied that the Company's Directors are independent in character and judgment and that there are no relationships or circumstances which could affect their objectivity.

Dividend Policy

Generally, under the VCT Rules, a VCT must distribute by way of dividend such amount as to ensure that it retains not more than 15% of its income from shares and securities.

Subject to cash availability and the Company having sufficient distributable reserves, the Company intends to distribute a proportion of the net proceeds it receives from realisations in respect of the assets attributable to the Ordinary Shares and Consideration Shares to the holders of such shares by way of special tax-free dividends.

In relation to the Leisure Shares, it is the intention of the Board and Edition to commence the payment of regular dividends as soon as possible, subject to the requirements and best interests of the Company. In respect of the first full financial year following the year in which the Leisure Shares are first issued, the Board and Edition intends (but cannot guarantee) to pay a dividend of 3p per Leisure Share. The Company's ability to pay any such dividend is subject to the existence of realised profits, legislative requirements and the available cash reserves of the Company. No forecast or projection should be implied or inferred.

It should be noted that the VCT Rules apply on a company-wide basis. Under the New Articles, the Company will allocate the economic benefit of any distributions or realisations derived from the different asset pools to the Ordinary Shares, to the New OT1 Ordinary Shares, to the New OT3 Ordinary Shares, to the New OT4 Ordinary Shares or to the Leisure Shares respectively. Therefore, if the assets attributable to a particular share class produce income from shares and securities, that income will not directly benefit, or be payable to, the Shareholders in the other share classes and vice versa.

The New Articles will, however, provide that reserves (whether created upon the cancellation of the share premium account arising from the issue of Ordinary Shares, Consideration Shares, Leisure Shares, the cancellation of any capital redemption reserve, through normal trading activities or otherwise) may be used for the benefit of the other share classes. While this will not transfer any Net Asset Value between the different share classes, it will permit those reserves to be treated as distributable reserves on a Company-wide basis such that, on an accounting basis, dividends and share buybacks in respect of any share classes may be facilitated by the availability of those reserves.

In practice, this means that if the Company were to declare and pay a dividend in respect of the Leisure Shares (utilising the distributable reserves which had been generated for the Company from the assets attributable to another share class), this may impact on the Company's ability to declare and pay a dividend in respect of those other share classes in a timely manner in the event of a subsequent realisation (due to the lack of available reserves), although this timing issue would likely be resolved approximately three years after the expected first allotment of Leisure Shares.

In order to provide a degree of protection to the holders of Ordinary Shares and Consideration Shares in this regard, the Company and Edition have agreed that no dividend shall be declared or paid in respect of the Leisure Shares (using reserves created or derived from another share class) in the event that the Net Asset Value per Leisure Share falls below 80p. Further, subject always to compliance with the VCT Rules, the Company and Edition have agreed that, from the proceeds of the Offer, the Company shall always retain, in cash, a sum equal to the total amount of dividends declared in respect of the Leisure Shares for at least the duration of the Initial Period.

All distributions are expected to be free of UK income tax to individuals aged 18 or over who acquired their shares within the annual £200,000 limit.

Buybacks and Buyback Policy

Subject to Resolution 7 being passed by the requisite majority of Shareholders at the General Meeting, the Company intends to adopt a buyback policy whereby, subject to adequate cash availability, it will consider repurchasing shares when they become available in order to help provide liquidity to the market.

Share buybacks will be subject to having appropriate authorities from shareholders of the Company, the Listing Rules and any applicable law including compliance with the VCT legislation at the relevant time. Shares may be bought back into treasury or cancelled at the Board's discretion.

The Directors do not envisage repurchasing any of the Ordinary Shares or any of the Consideration Shares unless there is a substantially large realisation of an investment in their respective share class pools sufficient to justify (in the Directors' opinion) a repurchase exercise.

Investment Management Fees

Pursuant to the Existing IMA, OT2M is entitled to an annual management fee (payable monthly in arrears) in an amount equal to 1% of the Net Asset Value of the Company as at the end of the preceding accounting year of the Company, which is passed on to OTM through the applicable sub-contracting arrangements.

Subject to approval of Existing Shareholders of Resolution 6, under the terms of the Amended IMA, OT2M will be entitled to an annual management fee (payable monthly in arrears), consistent with the Companies' current annual management fees, in an amount equal to:

- 1% of the Net Asset Value of the Ordinary Share Pool, the New OT3 Share Pool and the New OT4 Share Pool; and
- 0.5% of the Net Asset Value of the New OT1 Share Pool,

in each case such Net Asset Value being measured as at 28 February 2022 (in the first year of the Amended IMA) and at the end of the preceding accounting year of the Company (in each subsequent year while the Amended IMA remains in force). This annual management fee will continue to be passed on to OTM through the applicable sub-contracting arrangements until such time as the Amended IMA is terminated and replaced by the Edition IMA.

Pursuant to the Edition IMA, Edition will be entitled to an annual management fee in an amount equal to 2% of the weighted average Net Asset Value of the Leisure Share Pool (calculated and payable quarterly in arrears) and an administration fee (to cover back-office costs) in an amount equal to 0.5% of the weighted average Net Asset Value of the Company per annum (calculated and payable quarterly on the same basis as the annual management fee). The administration fee payable to Edition is capped at £75,000 per annum.

Pursuant to the New Portfolio Monitor Agreement (which will only come into effect once the Amended IMA is terminated upon the first Admission of the Leisure Shares), OTM will be entitled to an annual monitoring fee (calculated and payable quarterly in arrears) in an amount equal to:

- 0.5% of the weighted average Net Asset Value of the Ordinary Share Pool, the New OT3 Share Pool and the New OT4 Share Pool; and
- 0.25% of the weighted average Net Asset Value of the New OT1 Share Pool.

Performance Incentive Arrangements

Existing IMA

Pursuant to the Existing IMA, OT2M may be entitled to receive a performance incentive fee in an amount equal to 14/80 of any dividend paid by the Company in respect of the Ordinary Shares, provided that Shareholders have received in excess of a specified return for each 100p (gross) invested in the Company (the **OT2 Performance Incentive Fee**), which is passed on to OTM through the applicable sub-contracting arrangements.

This specified return of 100p has been increased by compounding that portion that remains to be paid to shareholders by 6% per annum with effect from 1 March 2010, resulting in the remaining required threshold being 145.9p at 28 February 2022, corresponding to a total shareholder return of 175.2p after taking into account the 29.3p already paid out ($29.3p + 145.9p = 175.2p$). The 29.3p already paid out includes an effective 6.8p (per original share) that was returned to Shareholders as part of a tender offer undertaken by the Company.

After this amount has been distributed to Shareholders, each extra 100p distributed goes 80p to the Shareholders and 20p to the beneficiaries of the performance incentive fee, of which OT2M receives 14p.

Amended IMA

Subject to approval of Existing Shareholders of Resolution 6, under the terms of the Amended IMA, OT2M shall continue to be entitled to receive the OT2 Performance Incentive Fee, which will continue to be passed on to OTM through the applicable sub-contracting arrangements until such time as the Amended IMA is terminated and replaced by the Edition IMA.

In addition to the OT2 Performance Incentive Fee, under the terms of the Amended IMA, OT2M will also be entitled to receive the following additional performance incentive fees:

- subject to, and conditional upon, the OT1 Scheme becoming effective, OT2M may be entitled to receive a performance incentive fee in an amount equal to 14/80 of any dividend paid by the Company in respect of the New OT1 Ordinary Shares, provided that Shareholders holding New OT1 Ordinary Shares have received in excess of a specified return for each 100p (gross) invested (the **OT1 Performance Incentive Fee**). The original threshold of 125p has been increased by compounding

that portion that remains to be paid to shareholders by 6% per annum with effect from 1 March 2008, resulting in the remaining required threshold being 171.3p at 28 February 2022, corresponding to a total shareholder return of 226.3p after taking into account the 55p already paid out by OT1 (55p + 171.3p = 226.3p);

- subject to, and conditional upon, the OT3 Scheme becoming effective, OT2M may be entitled to receive a performance incentive fee in an amount equal to 15/80 of any dividend paid by the Company in respect of the New OT3 Ordinary Shares, provided that Shareholders holding New OT3 Ordinary Shares have received in excess of a specified return for each 100p (gross) invested (the **OT3 Performance Incentive Fee**). The original threshold of 100p has been increased by compounding that portion that remains to be paid to shareholders by 6% per annum with effect from 1 March 2010, resulting in the remaining required threshold being 106.3p at 28 February 2022, corresponding to a total shareholder return of 151.8p after taking into account the 45.5p already paid out by OT3 (45.5p + 106.3p = 151.8p). The 45.5p already paid out includes an effective 3.5p (per original share) that was returned to shareholders of OT3 as part of a share buyback undertaken by OT3; and
- subject to, and conditional upon, the OT4 Scheme becoming effective, OT2M may be entitled to receive a performance incentive fee in an amount equal to 15/80 of any dividend paid by the Company in respect of the New OT4 Ordinary Shares, provided that Shareholders holding New OT4 Ordinary Shares have received in excess of a specified return for each 100p (gross) invested (the **OT4 Performance Incentive Fee**). The original threshold of 100p has been increased by compounding that portion that remains to be paid to shareholders by 6% per annum with effect from 1 March 2015, resulting in the remaining required threshold being 83.4p at 28 February 2022, corresponding to a total shareholder return of 131.4p after taking into account the 48.0p already paid out by OT4 (48.0p + 83.4p = 131.4p).

As with the OT2 Performance Incentive Fee, each of the OT1 Performance Incentive Fee, the OT3 Performance Incentive Fee and the OT4 Performance Incentive Fee will continue to be passed on to OTM through the applicable sub-contracting arrangements until such time as the Amended IMA is terminated and replaced by the Edition IMA. Thereafter, once the Amended IMA is terminated, the OT2 Performance Incentive Fee, the OT1 Performance Incentive Fee, the OT3 Performance Incentive Fee and the OT4 Performance Incentive Fee may be payable to OTM pursuant to the terms of the New Portfolio Monitor Agreement.

Edition IMA

Pursuant to the terms of the Edition IMA, Edition shall be entitled to a performance incentive fee in respect of the Leisure Shares if the “total return” received by shareholders holding Leisure Shares is greater than the higher of the “high water mark” or the “minimum performance threshold”. For these purposes:

- the “total return” means the combined value (in pence per share) of i) the published NAV per Leisure Share in the Company’s last annual accounts and ii) the aggregate of all dividends paid in respect of the Leisure Shares as at the date of those last annual accounts;
- the “high water mark” means the value (in pence per share) of the “total return” from the previous year in which a performance incentive fee was paid to Edition (and, until the payment of the first performance incentive fee, the “high water mark” shall be equal to the “minimum performance threshold”); and
- the “minimum performance threshold” is 1.2 times the weighted average issue price for all of the Leisure Shares in issue.

Once payable, Edition will be entitled to receive a performance incentive fee in the sum of 20% of the amount by which the “total return” exceeds the higher of the “high water mark” or the “minimum performance threshold” but it has been agreed that no performance incentive fee shall be payable to Edition until the year ended 28 February 2025. In the event that the Edition IMA is terminated, its performance incentive fee may remain payable for up to two years following termination in certain circumstances.

Director (and former director) incentives

In addition to the performance fees payable to OT2M and/or OTM pursuant to the Existing IMA, the Amended IMA and the New Portfolio Monitor Agreement and the performance fees payable to Edition pursuant to the Edition IMA, each as summarised above, the Directors and certain former directors are also entitled to performance fees as described further in paragraph 5.1.2 of Part V of this document.

Costs payable by investee companies

Edition is entitled to charge arrangement and monitoring fees to investee companies in relation to the investments made by the Company, expressed as a percentage of the investment cost, on the following

basis:

Arrangement Fee: Between 0% and 3.0% per company (subject to an overall annual cap of 2.0%)

Annual Monitoring Fee: The minimum of £10,000 and 0.5% per annum

Costs incurred on abortive investment proposals will be the responsibility of Edition.

Edition also manages a number of other alternative investment funds including the Edition EIS. It will be entitled to charge additional fees to the investee company in relation to any investment it makes through that alternative investment fund and, therefore, for the avoidance of doubt, the fees detailed above are the maximum allowable fees in relation only to the investment made by the Company.

Taxation

The information contained in this document is based on current UK law and practice, is subject to changes therein, is given by way of general summary and does not constitute legal or tax advice. If you are in any doubt about your position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your independent financial adviser.

The implementation of the Merger should not affect the status of the Company as a VCT or the tax reliefs obtained by Shareholders on subscription of existing Shares or shares in the Target VCTs. It is the intention of the Board to continue to comply with the requirements of ITA 2007 following implementation of the Schemes so that the Enlarged Company continues to qualify as a VCT.

Tax implications of the Schemes and subscribing for Offer Shares pursuant to the Offer are set out in the Prospectus.

General Meeting

Notice of the General Meeting is set out at the end of this document. The General Meeting will be held at 3.00 p.m. on 20 June 2022 at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA. A Form of Proxy for use in connection with the General Meeting is enclosed or accompanies this document.

An explanation of the Resolutions to be proposed at the General Meeting is set out below. Resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions requiring the approval of more than 50% of the votes cast at the meeting. Resolutions 8 – 10 (inclusive) will be proposed as special resolutions requiring the approval of at least 75% of the votes cast on those resolutions at the meeting.

Each of Resolutions 1 – 4 (inclusive) are conditional upon Shareholders approving Resolutions 5, 6 and 8. Resolution 9 is also conditional upon Shareholders approving Resolution 4.

Resolution 1

Paragraph 1.1 of the Resolution seeks approval from Shareholders for the acquisition by the Company of all of the assets and liabilities of OT1 pursuant to the OT1 Scheme.

Paragraph 1.2 of Resolution 1 authorises the Directors pursuant to section 551 CA 2006 to allot New OT1 Ordinary Shares in connection with the OT1 Scheme up to an aggregate nominal value of £54,316.55 (representing 102% of the issued share capital of the Company as at 17 May 2022, this being the latest practicable date prior to publication of this document). The authority conferred by paragraph 1.2 of Resolution 1 is in addition to existing authorities, will be used to issue Consideration Shares pursuant to the Merger and will expire on the date falling 18 months from the date of the passing of this resolution, unless renewed, varied or revoked by the Company in general meeting.

Resolution 2

Paragraph 2.1 of the Resolution seeks approval from Shareholders for the acquisition by the Company of all of the assets and liabilities of OT3 pursuant to the OT3 Scheme.

Paragraph 2.2 of Resolution 2 authorises the Directors pursuant to section 551 CA 2006 to allot New OT3 Ordinary Shares in connection with the OT3 Scheme up to an aggregate nominal value of £62,545.96 (representing 117% of the issued share capital of the Company as at 17 May 2022, this being the latest practicable date prior to publication of this document). The authority conferred by paragraph 2.2 of Resolution 2 is in addition to existing authorities, will be used to issue Consideration Shares pursuant to the Merger and will expire on the date falling 18 months from the date of the passing of this resolution, unless renewed, varied or revoked by the Company in general meeting.

Resolution 3

Paragraph 3.1 of the Resolution seeks approval from Shareholders for the acquisition by the Company of all of the assets and liabilities of OT4 pursuant to the OT4 Scheme.

Paragraph 3.2 of Resolution 3 authorises the Directors pursuant to section 551 CA 2006 to allot New OT4

Ordinary Shares in connection with the OT4 Scheme up to an aggregate nominal value of £115,196.46 (representing 216% of the issued share capital of the Company as at 17 May 2022, this being the latest practicable date prior to publication of this document). The authority conferred by paragraph 3.2 of Resolution 3 is in addition to existing authorities, will be used to issue Consideration Shares pursuant to the Merger and will expire on the date falling 18 months from the date of the passing of this resolution, unless renewed, varied or revoked by the Company in general meeting.

Resolution 4

Resolution 4 authorises the Directors pursuant to section 551 CA 2006 to allot Leisure Shares in the capital of the Company pursuant to offer(s) for subscription up to an aggregate nominal value of £200,000 (representing 375% of the issued share capital of the Company as at 17 May 2022, this being the latest practicable date prior to publication of this document). The authority conferred by Resolution 4 will expire 18 months following the date of the passing of Resolution 4, unless renewed, varied or revoked by the Company in general meeting.

Resolution 5

Resolution 5 authorises the Company's change in investment policy pursuant to the Listing Rules, such changes as described in this Circular.

Resolution 6

Resolution 6 authorises the revised arrangements pursuant to the Amended IMA (as described in this Circular) as a related party transaction for the purpose of Chapter 11 of the Listing Rules. Pursuant to the terms of the Amended IMA, OT2M shall continue in its capacity as investment manager for an interim period pending the first Admission of Leisure Shares. OT2M is deemed to be a related party under the Listing Rules as it is the Company's investment manager.

With effect from the first Admission of Leisure Shares, Edition will replace OT2M as the Company's investment manager (being appointed pursuant to the terms of the Edition IMA) and, together with the Company, will enter into a new agreement with OTM in relation to its role as portfolio monitor in respect of the assets attributable to the Ordinary Shares and the Consideration Shares. The Company's arrangements with OT2M (pursuant to the Existing IMA or the Amended IMA (as the case may be)) and its subcontract with OTM will, therefore, be terminated with effect from the first Admission of Leisure Shares.

Further details of these arrangements (including a summary of the terms and conditions thereof) are set out in paragraph 5 of Part V of this document.

Resolution 7

Resolution 7 authorises the Company to make market purchases of up to 2,853,508 shares in the capital of the Company (representing 10% of the enlarged issued share capital of the Company assuming that all of the Schemes complete) at a maximum price equal the higher of (i) 105% of the average of the middle market quotation per share (of the relevant class) taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which such share is to be purchased; and (ii) the amount stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003. The authority conferred by Resolution 7 will expire 18 months following the date of the passing of the resolution, unless renewed, varied or revoked by the Company in general meeting. This resolution is being proposed to implement the buyback policy referred to above.

Resolution 8

Resolution 8 authorises the adoption of the New Articles in substitution for, and to the exclusion of, the Company's existing articles of association. A summary of the proposed changes is set out in Part IV of this Circular.

Resolution 9

Resolution 9 disapplies pre-emption rights in respect of the allotment of shares pursuant to offer(s) for subscription in the capital of the Company with an aggregate nominal value of £200,000 (representing 375% of the issued share capital of the Company as at 17 May 2022, this being the latest practicable date prior to publication of this document). The authority conferred by Resolution 9 will expire 18 months following the date of the passing of the resolution, unless renewed, varied or revoked by the Company in general meeting.

Resolution 10

Resolution 10 authorises the cancellation of the total amount standing to credit of the share premium account and the capital redemption reserve of the Company, such amounts being as at the date an order

is made confirming such cancellation by the Court. This is being proposed in order to enable the Company to make an application to Court in the future to cancel such amounts standing to credit so as to create sufficient distributable reserves to pay dividends or (subject to having appropriate authority) buy-back shares in the capital of the Company.

Action to be Taken

Before taking any action, you are recommended to read the further information set out in this document.

Shareholders will find enclosed with, or accompanying, this document the Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting, you are requested to complete and return the Form of Proxy attached so as to be received by 3.00 p.m. on 16 June 2022. Completion and return of a Form of Proxy will not prevent you from attending and voting in person at the General Meeting, should you wish to do so.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Please also refer to the notes to the notice of General Meeting for further information.

The Board has arranged a webinar at 10.00 a.m. on Tuesday 7 June 2022, to give Shareholders the chance to hear from OTM (as existing investment manager), Edition (as the proposed new investment manager responsible for the new class of Leisure Shares) and the Board, and provide an opportunity for Shareholders to ask questions. In order to register for this event please visit <https://tinyurl.com/mtu6s8cf>.

Recommendation

OT2M is regarded as a related party of the Company under the Listing Rules and, therefore, cannot vote (and, as it does not hold any Shares in the Company, would not be entitled to vote) on Resolution 6, which is the approval of the Amended IMA, to be proposed at the General Meeting. OT2M will take all reasonable steps to ensure that its associates (including any of its directors, members, partners or employees) will also not vote on Resolution 6 to be proposed at the General Meeting.

The Board, which has been so advised by BDO LLP in its capacity as sponsor pursuant to Listing Rule 13.6.1R(5), considers the Amended IMA to be fair and reasonable so far as Shareholders as a whole are concerned. In providing this advice, BDO LLP has taken into account the Board's commercial assessment of the Amended IMA. As Richard Roth and Alex Starling are both also directors of OT2M they have not taken part in the Board's consideration of the Amended IMA as a related party transaction as required under, and for the purposes of, the Listing Rules.

The Board is of the opinion that the Proposals are in the best interests of the Existing Shareholders as a whole and unanimously recommends you to vote in favour of the Resolutions as they intend to do (where permitted) in respect of their own holdings of 58,033 Shares, representing approximately 1% of the issued share capital of the Company as at 17 May 2022 (this being the latest practicable date prior to publication of this document).

Yours faithfully

Richard Roth
Chairman

PART II

THE SCHEMES

OT1 Scheme

1. Definitions and Interpretation

The definitions set out on pages 8 to 14 of this document shall have the same meanings when used in the context of this Part II.

2. Provision of Information

On the Effective Date, the Liquidators of OT1 shall receive all the cash, undertakings and other assets and liabilities of OT1 and shall deliver to the Company:

- particulars of all of the assets and liabilities of OT1;
- a list (certified by the registrars of OT1) of the names and addresses of, and the number of OT1 Shares held by, each of the OT1 Shareholders on the register at 6.00 p.m. on the Record Date;
- an estimate of the winding-up costs of OT1 which will form part of the costs of the Schemes; and
- the amount estimated to be required to purchase the holdings of any dissenting OT1 Shareholders (if any).

3. Transfer Agreement

On the Effective Date, the Company and the Liquidators (on behalf of OT1) will enter into the OT1 Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of OT1 to the Company in exchange for the issue of New OT1 Ordinary Shares (credited as fully paid up) to the OT1 Shareholders on the basis set out below.

In further consideration of such transfer of assets and liabilities of OT1 to the Company, the Company will, pursuant to the OT1 Transfer Agreement, undertake to pay (using funds from OT1 where applicable) all liabilities incurred by the Liquidators including, but not limited to, the implementation of the OT1 Scheme, the winding up of OT1 and the purchase for cash of any holdings of dissenting OT1 Shareholders.

Number of New OT1 Ordinary Shares to be issued to the holders of OT1 Shares

The number of New OT1 Ordinary Shares to be issued to the holders of OT1 Shares (save for any dissenting shareholders) will be calculated as follows:

One New OT1 Ordinary Share for every OT1 Share held

4. Conditionality

The OT1 Scheme is dependent on:

- the relevant resolutions approving the OT1 Scheme being passed at the OT1 First General Meeting and the OT1 Second General Meeting and by Existing Shareholders at the General Meeting;
- notice of dissent not being received from shareholders who hold more than 10% in nominal value of the issued share capital of OT1 (this condition may be waived by the OT1 Board and the Board);
- the Company confirming that it has received no notice of any claims, proceedings or actions of whatever nature threatened or commenced against OT1 which the Board regard as material,

and so will proceed and become effective immediately after the passing of the special resolution for the winding up of OT1.

5. Share Certificates, Mandates and Listing

Where OT1 Shareholders hold their OT1 Shares in certificated form, they will receive a new certificate for the New OT1 Ordinary Share issued and where OT1 Shareholders hold their OT1 Shares in uncertificated form, their CREST accounts will be credited with the new holding in New OT1 Ordinary Share. Certificates will be dispatched to an OT1 Shareholder's registered address at their own risk.

Dividend payment mandates provided for OT1 Shares will, unless an OT1 Shareholder advises otherwise in writing to Neville Registrars Limited, be transferred to the Company.

An application has been made to the FCA for the New OT1 Ordinary Shares to be listed on the premium

segment of the Official List and will be made to the London Stock Exchange for such New OT1 Ordinary Shares to be admitted to trading on its market for listed securities.

6. Dissenting OT1 Shareholders

An OT1 Shareholder who does not vote in favour of the resolution to be proposed at the OT1 First General Meeting and expresses his or her dissent to the Liquidator in writing at the registered office of OT1 within seven days of the passing of the resolution may require the Liquidators either to abstain from carrying into effect the resolution or to purchase their OT1 Shares at a price to be determined by agreement between the Liquidators and the OT1 Shareholder concerned (or otherwise through arbitration).

It is anticipated that the Liquidators will offer to purchase the holdings of dissenting OT1 Shareholders at the break value price of an OT1 Share, this being an estimate of the amount a holder of such shares would receive in an ordinary winding-up of OT1 if all of the assets of OT1 had to be immediately realised. The break value of OT1 Shares is expected to be significantly below the unaudited Net Asset Value of such shares due to the nature of the underlying assets.

Any deferred capital gains on the original subscription of shares will become chargeable to capital gains tax. The value received by a dissenting OT1 Shareholder may not be sufficient to cover the amount of tax due.

7. Valuation Report

Prior to the allotment of the New OT1 Ordinary Shares pursuant to the OT1 Scheme, the Company will provide to OT1 Shareholders who participate in the Merger, and will upload to the Company's website, the Section 593 Report prepared by the Independent Valuer. The Section 593 Report will confirm that the value of the assets and liabilities which are being transferred from OT1 to the Company as part of the OT1 Scheme is not less than the aggregate amount treated as being paid up on the New OT1 Ordinary Shares being issued to OT1 Shareholders.

8. Modifications

The provisions of the OT1 Scheme shall have effect subject to such non-material modifications or additions, which may include changes to the timetable and such modifications as may be required to deal with shareholders in overseas jurisdictions, as the parties to the Transfer Agreement may from time to time approve in writing.

9. Reliance on Information

The Liquidators shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the OT1 Scheme and the Transfer Agreement including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, OT1, the Board, the OT1 Board, any individual director of the Company or OT1, Edition, OT2M, OTM, the registrar or the custodians or bankers of the Company and/or OT1 or its or their other professional advisers and the Liquidators shall not be liable or responsible for any loss suffered as a result thereof.

10. Liquidators' Liability

Nothing in the OT1 Scheme or in any document executed under or in connection with the OT1 Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the OT1 Scheme or the OT1 Transfer Agreement.

11. Governing Law

The OT1 Scheme shall, in all respects, be governed by and construed in accordance with the laws of England and Wales.

OT3 Scheme

1. Definitions and Interpretation

The definitions set out on pages 8 to 14 of this document shall have the same meanings when used in the context of this Part II.

2. Provision of Information

On the Effective Date, the Liquidators of OT3 shall receive all the cash, undertakings and other assets and liabilities of OT3 and shall deliver to the Company:

- particulars of all of the assets and liabilities of OT3;
- a list (certified by the registrars of OT3) of the names and addresses of, and the number of OT3 Shares held by, each of the OT3 Shareholders on the register at 6.00 p.m. on the Record Date;
- an estimate of the winding-up costs of OT3 which will form part of the costs of the Schemes; and
- the amount estimated to be required to purchase the holdings of any dissenting OT3 Shareholders (if any).

3. Transfer Agreement

On the Effective Date, the Company and the Liquidators (on behalf of OT3) will enter into the OT3 Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of OT3 to the Company in exchange for the issue of New OT3 Ordinary Shares (credited as fully paid up) to the OT3 Shareholders on the basis set out below.

In further consideration of such transfer of assets and liabilities of OT3 to the Company, the Company will, pursuant to the OT3 Transfer Agreement, undertake to pay (using funds from OT3 where applicable) all liabilities incurred by the Liquidators including, but not limited to, the implementation of the OT3 Scheme, the winding up of OT3 and the purchase for cash of any holdings of dissenting OT3 Shareholders.

Number of New OT3 Ordinary Shares to be issued to the holders of OT3 Shares

The number of New OT3 Ordinary Shares to be issued to the holders of OT3 Shares (save for any dissenting shareholders) will be calculated as follows:

One New OT3 Ordinary Share for every OT3 Share held

4. Conditionality

The OT3 Scheme is dependent on:

- the relevant resolutions approving the OT3 Scheme being passed at the OT3 First General Meeting and the OT3 Second General Meeting and by Existing Shareholders at the General Meeting;
- notice of dissent not being received from shareholders who hold more than 10% in nominal value of the issued share capital of OT3 (this condition may be waived by the OT3 Board and the Board);
- the Company confirming that it has received no notice of any claims, proceedings or actions of whatever nature threatened or commenced against OT3 which the Board regard as material,

and so will proceed and become effective immediately after the passing of the special resolution for the winding up of OT3.

5. Share Certificates, Mandates and Listing

Where OT3 Shareholders hold their OT3 Shares in certificated form, they will receive a new certificate for the New OT3 Ordinary Share issued and where OT3 Shareholders hold their OT3 Shares in uncertificated form, their CREST accounts will be credited with the new holding in New OT3 Ordinary Share. Certificates will be dispatched to an OT3 Shareholder's registered address at their own risk.

Dividend payment mandates provided for OT3 Shares will, unless an OT3 Shareholder advises otherwise in writing to Neville Registrars Limited, be transferred to the Company.

An application has been made to the FCA for the New OT3 Ordinary Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New OT3 Ordinary Shares to be admitted to trading on its market for listed securities.

6. Dissenting OT3 Shareholders

An OT3 Shareholder who does not vote in favour of the resolution to be proposed at the OT3 First General Meeting and expresses his or her dissent to the Liquidator in writing at the registered office of OT3 within seven days of the passing of the resolution may require the Liquidators either to abstain from carrying into effect the resolution or to purchase their OT3 Shares at a price to be determined by agreement between the Liquidators and the OT3 Shareholder concerned (or otherwise through arbitration).

It is anticipated that the Liquidators will offer to purchase the holdings of dissenting OT3 Shareholders at the break value price of an OT3 Share, this being an estimate of the amount a holder of such shares would receive in an ordinary winding-up of OT3 if all of the assets of OT3 had to be immediately realised. The break value of OT3 Shares is expected to be below the unaudited Net Asset Value of such shares due to the nature of the underlying assets.

Any deferred capital gains on the original subscription of shares will become chargeable to capital gains tax. The value received by a dissenting OT3 Shareholder may not be sufficient to cover the amount of tax due.

7. Valuation Report

Prior to the allotment of the New OT3 Ordinary Shares pursuant to the OT3 Scheme, the Company will provide to OT3 Shareholders who participate in the Merger, and will upload to the Company's website, the Section 593 Report prepared by the Independent Valuer. The Section 593 Report will confirm that the value of the assets and liabilities which are being transferred from OT3 to the Company as part of the OT3 Scheme is not less than the aggregate amount treated as being paid up on the New OT3 Ordinary Shares being issued to OT3 Shareholders.

8. Modifications

The provisions of the OT3 Scheme shall have effect subject to such non-material modifications or additions, which may include changes to the timetable and such modifications as may be required to deal with shareholders in overseas jurisdictions, as the parties to the Transfer Agreement may from time to time approve in writing.

9. Reliance on Information

The Liquidators shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the OT3 Scheme and the Transfer Agreement including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, OT3, the Board, the OT3 Board, any individual director of the Company or OT3, Edition, OT2M, OTM, the registrar or the custodians or bankers of the Company and/or OT3 or its or their other professional advisers and the Liquidators shall not be liable or responsible for any loss suffered as a result thereof.

10. Liquidators' Liability

Nothing in the OT3 Scheme or in any document executed under or in connection with the OT3 Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the OT3 Scheme or the OT3 Transfer Agreement.

11. Governing Law

The OT3 Scheme shall, in all respects, be governed by and construed in accordance with the laws of England and Wales.

OT4 Scheme

1. Definitions and Interpretation

The definitions set out on pages 8 to 14 of this document shall have the same meanings when used in the context of this Part II.

2. Provision of Information

On the Effective Date, the Liquidators of OT4 shall receive all the cash, undertakings and other assets and liabilities of OT4 and shall deliver to the Company:

- particulars of all of the assets and liabilities of OT4;
- a list (certified by the registrars of OT4) of the names and addresses of, and the number of OT4 Shares held by, each of the OT4 Shareholders on the register at 6.00 p.m. on the Record Date;
- an estimate of the winding-up costs of OT4 which will form part of the costs of the Schemes; and
- the amount estimated to be required to purchase the holdings of any dissenting OT4 Shareholders (if any).

3. Transfer Agreement

On the Effective Date, the Company and the Liquidators (on behalf of OT4) will enter into the OT4 Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of OT4 to the Company in exchange for the issue of New OT4 Ordinary Shares (credited as fully paid up) to the OT4 Shareholders on the basis set out below.

In further consideration of such transfer of assets and liabilities of OT4 to the Company, the Company will, pursuant to the OT4 Transfer Agreement, undertake to pay (using funds from OT4 where applicable) all liabilities incurred by the Liquidators including, but not limited to, the implementation of the OT4 Scheme, the winding up of OT4 and the purchase for cash of any holdings of dissenting OT4 Shareholders.

Number of New OT4 Ordinary Shares to be issued to the holders of OT4 Shares

The number of New OT4 Ordinary Shares to be issued to the holders of OT4 Shares (save for any dissenting shareholders) will be calculated as follows:

One New OT4 Ordinary Share for every OT4 Share held

4. Conditionality

The OT4 Scheme is dependent on:

- the relevant resolutions approving the OT4 Scheme being passed at the OT4 First General Meeting and the OT4 Second General Meeting and by Existing Shareholders at the General Meeting;
- notice of dissent not being received from shareholders who hold more than 10% in nominal value of the issued share capital of OT4 (this condition may be waived by the OT4 Board and the Board);
- the Company confirming that it has received no notice of any claims, proceedings or actions of whatever nature threatened or commenced against OT4 which the Board regard as material,

and so will proceed and become effective immediately after the passing of the special resolution for the winding up of OT4.

5. Share Certificates, Mandates and Listing

Where OT4 Shareholders hold their OT4 Shares in certificated form, they will receive a new certificate for the New OT4 Ordinary Share issued and where OT4 Shareholders hold their OT4 Shares in uncertificated form, their CREST accounts will be credited with the new holding in New OT4 Ordinary Share. Certificates will be dispatched to an OT4 Shareholder's registered address at their own risk.

Dividend payment mandates provided for OT4 Shares will, unless an OT4 Shareholder advises otherwise in writing to Neville Registrars Limited, be transferred to the Company.

An application has been made to the FCA for the New OT4 Ordinary Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New OT4 Ordinary Shares to be admitted to trading on its market for listed securities.

6. Dissenting OT4 Shareholders

An OT4 Shareholder who does not vote in favour of the resolution to be proposed at the OT4 First General Meeting and expresses his or her dissent to the Liquidator in writing at the registered office of OT4 within seven days of the passing of the resolution may require the Liquidators either to abstain from carrying into effect the resolution or to purchase their OT4 Shares at a price to be determined by agreement between the Liquidators and the OT4 Shareholder concerned (or otherwise through arbitration).

It is anticipated that the Liquidators will offer to purchase the holdings of dissenting OT4 Shareholders at the break value price of an OT4 Share, this being an estimate of the amount a holder of such shares would receive in an ordinary winding-up of OT4 if all of the assets of OT4 had to be immediately realised. The break value of OT4 Shares is expected to be significantly below the unaudited Net Asset Value of such shares due to the nature of the underlying assets.

7. Valuation Report

Prior to the allotment of the New OT4 Ordinary Shares pursuant to the OT4 Scheme, the Company will provide to OT4 Shareholders who participate in the Merger, and will upload to the Company's website, the Section 593 Report prepared by the Independent Valuer. The Section 593 Report will confirm that the value of the assets and liabilities which are being transferred from OT4 to the Company as part of the OT4 Scheme is not less than the aggregate amount treated as being paid up on the New OT4 Ordinary Shares being issued to OT4 Shareholders.

8. Modifications

The provisions of the OT4 Scheme shall have effect subject to such non-material modifications or additions, which may include changes to the timetable and such modifications as may be required to deal with shareholders in overseas jurisdictions, as the parties to the Transfer Agreement may from time to time approve in writing.

9. Reliance on Information

The Liquidators shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the OT4 Scheme and the Transfer Agreement including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, OT4, the Board, the OT4 Board, any individual director of the Company or OT4, Edition, OT2M, OTM, the registrar or the custodians or bankers of the Company and/or OT4 or its or their other professional advisers and the Liquidators shall not be liable or responsible for any loss suffered as a result thereof.

10. Liquidators' Liability

Nothing in the OT4 Scheme or in any document executed under or in connection with the OT4 Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the OT4 Scheme or the OT4 Transfer Agreement.

11. Governing Law

The OT4 Scheme shall, in all respects, be governed by and construed in accordance with the laws of England and Wales

PART III

RISK FACTORS

Shareholders and prospective Shareholders should consider carefully the following risk factors in addition to the other information presented in this document. If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below (such as changes in legal, regulatory or tax requirements) are not the only ones the Company or Shareholders will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition or results of operations. The value of the Shares could decline due to any of the risk factors described below and Shareholders could lose part or all of their investment. Shareholders and prospective Shareholders should consult an independent financial adviser authorised under FSMA. References to the Company should be taken as including the Enlarged Company.

Scheme Related Risks

Completion of the Schemes is dependent upon a number of conditions precedent being fulfilled, including the approval of Existing Shareholders, OT1 Shareholders, OT3 Shareholders and OT4 Shareholders. Whilst the Board has identified a number of potential benefits for the Enlarged Company, there is no certainty that these benefits will lead to improved prospects for the Enlarged Company. Each Scheme is not conditional on the other Schemes being approved and the conditions precedent for the other Schemes being fulfilled. Provided that the relevant resolutions are approved by Existing Shareholders and the relevant Target VCT Shareholders, a Scheme will proceed independently and irrespectively of the other Schemes (but, if resolutions relating to a particular Scheme are not fully approved, that Scheme will not proceed).

If the Merger is not approved and/or effected and the benefits of the Merger not realised, the costs incurred to put forward the Merger proposals to shareholders of the Companies will nonetheless have been incurred and will be split (together with certain other costs) equally between the Companies.

Pursuant to the Merger, the Company will indemnify the liquidators of the Target VCTs against any costs or losses arising from their liquidation and so may incur costs if creditors, or other liabilities of the Target VCTs, come to light following completion of the Merger. Where, following the completion of the Merger, a claim is brought against the Company the cost of which would appropriately be borne by a share class which has subsequently been wound up and cancelled, the shareholders of other classes may have to bear the cost of such a claim.

Offer Related Risks

The Offer is conditional on Existing Shareholders' approval of Resolutions 4, 5, 8 and 9 to be proposed at the General Meeting. If these resolutions are not approved the Offer will be withdrawn.

The VCT Rules restrict the ability of VCTs to return amounts subscribed as capital to shareholders within three years of the end of the accounting period in which the funds were raised. It will, therefore, not be possible until the end of that time period to utilise amounts of share premium resulting from the Leisure Share issue (although the existing reserves of the Company and any inherited through the Merger (which are expected to supplement the Company's share premium account and which would be classed as distributable once cancelled with the sanction of the High Court) can be used in relation to the Leisure Shares). To the extent that the existing reserves of the Company or those inherited through the Merger are utilised to pay dividends on the Leisure Shares, this may restrict the ability of the Company to lawfully distribute returns generated on the assets attributable to the Ordinary Shares and the Consideration Shares in due course.

The price at which Leisure Shares will be issued is calculated by a formula linked to the latest published NAV of the Leisure Shares. Shareholders should be aware that the Company publishes NAVs quarterly and may publish additional NAVs more frequently for the purposes of, *inter alia*, the Offer. If revised NAVs are published during the course of the Offer, Investors may receive a different number of Leisure Shares in the Company from that anticipated.

Funds raised through the issue of Leisure Shares will need to be invested in accordance with VCT rules and regulations within approximately three years. Failure to do so may result in the Company losing its VCT status and adverse tax consequences for Investors.

The Covid-19 pandemic has had an impact on economic conditions globally and may continue to affect

the performance of some companies in which the Company has invested or may invest (particularly in relation to the leisure sector on which the Leisure Shares will focus) should further outbreaks of new variants of the virus lead to the re-introduction of restrictions by the government. These economic conditions and performance may negatively impact on the number or quality of investment opportunities available to the Company in respect of the Leisure Shares.

If Leisure Shares are disposed of within five years of the date of issue, Investors will be subject to clawback by HMRC of any upfront income tax relief obtained on subscription.

If an authorised intermediary rebates adviser charges back to its clients a tax liability may accrue to the Investor. HMRC's position on rebates out of sums paid by Investors on subscribing for their shares for the purposes of facilitating adviser charges is that these reduce the base cost for the purposes of assessing capital gains on disposal. Since Qualifying Investors in VCTs are exempt from capital gains tax, this should not have any adverse tax effect. However, if a VCT bought back shares from an Investor, the fact that the base cost is reduced could result in a larger income tax liability.

Risks Relating to the Shares

Although the existing Shares have been (and it is anticipated that the New Shares will be) admitted to the premium segment of the Official List and are (or will be) traded on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid (which may be partly attributable to the fact that initial subscription tax reliefs are not available for VCT shares bought in the secondary market and because VCT shares usually trade at a discount to NAV). There may not, therefore, be a liquid market and Shareholders may find it difficult to realise their investment. Shareholders should not rely upon any share buyback policy to offer any certainty of selling their Shares at prices that reflect the underlying NAV. An investment in the Company should, therefore, be considered as a long-term investment.

Shareholders may be adversely affected by the performance of the investments, whether acquired from the Target VCTs or made by the Company. The performance of the investments acquired from the Target VCTs, as well as the investments of the Company, may restrict the ability of the Company following the Merger to distribute any proceeds or returns received on the investments transferred from the Target VCTs to the Company (as well as the investments of the Company).

Shareholders may be adversely affected by a change in the VCT status of the Company if a number of the investments acquired from the Target VCTs, or the investments of the Company, are, or become, unable to meet VCT requirements.

The value of Shares, and the income from them, can fluctuate and Shareholders may not get back the amount they invested. In addition, there is no certainty that the market price of Shares will fully reflect their underlying NAV nor that any dividends will be paid.

Investment Risks

There is no guarantee that the Company will meet its objectives or that suitable investment opportunities will be identified to enable the Company to meet its objective. The past performance of the Company, the Target VCTs, and/or other funds managed or advised by Edition is not an indication of the future performance of the Company. The NAV of the Shares and the return received by Shareholders will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall and Shareholders may not get back the full amount invested. The level and timing of distributions to Shareholders is not guaranteed.

There is a maximum age limit for companies receiving VCT investments (generally seven years from first commercial sale or ten years from first commercial sale or the end of the accounting period in which the company first achieved £200,000 of turnover for Knowledge Intensive Companies, subject to certain exceptions), and a maximum amount of Risk Finance State Aid which a company can receive both over a 12 month period (£5 million, or £10 million for Knowledge Intensive Companies) and over its lifetime (£12 million, or £20 million for Knowledge Intensive Companies). There are also restrictions on the use of VCT funds received by investee companies so that the funds are used for growth and development. The Finance Act 2018 introduced a new "risk-to-capital" condition for Qualifying Investments, designed to focus investments towards earlier stage, growing businesses, and away from investments which could be regarded as lower risk. The Company may not make investments which breach the "risk-to-capital" condition, and the potential penalty for contravention of the VCT Rules can include loss of VCT status with a resultant clawback of VCT tax reliefs from Investors. The "risk-to-capital" test inherently increases the risk profile of companies in which the Company can invest.

Full information for determining the value of the Company's underlying investments may not always be available. Confidential or inside information which might have a bearing on the prospects of a particular investment may exist from time to time but may not yet be in the public domain. In such circumstances

an individual valuation may have to be based on historic information not incorporating full disclosure which might otherwise have enabled a more precise valuation

Although the Company may receive customary venture capital rights in connection with some of its unquoted investments, as a minority investor it will not be in a position fully to protect its interests.

Some of the Company's existing investments are, and the Company's future investments will generally be, in companies whose securities are not publicly traded or freely marketed and may, therefore, be difficult, and take considerable time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Company, which may restrict the Company's ability to obtain maximum value from its investments.

It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Company invests, to be fully reflected in their market values and their market values can fluctuate and are often also materially affected by general market sentiment, which can be negative for prolonged periods. The success of some investee companies may be based on their ability to develop or sustain a competitive advantage, in markets where there are much larger and better resourced companies or to establish, protect and enforce intellectual property rights.

Investment in unquoted companies (including AIM-traded) by its nature involves a higher degree of risk than investment in companies listed on the Official List. In particular, the viability and financial performance of small companies often depends on a narrow product range, small markets, limited financial resources, a small number of staff and counterparties and may be more susceptible to political, exchange rate, taxation and regulatory changes. In addition, the market for securities in smaller companies may be less regulated and is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Full information for determining their value or the risks to which they are exposed may also not be available and investment returns will, therefore, be uncertain.

Risks associated with Edition and conflicts of interest

Where more than one fund managed or advised by Edition is able to participate in an investment opportunity, allocations will generally be made in proportion to the funds available to each fund, other than where a fund has a pre-existing investment where the incumbent fund will have priority. Implementation of this policy will be subject to the availability of monies to make the investment and other portfolio consideration, such as the portfolio diversity and the need to maintain VCT status. This may mean that the Company may receive a greater or lesser allocation than would otherwise be the case under the normal allocation policy.

Where the Company invests the proceeds of the Offer in companies in which other funds managed or advised by Edition have invested or are investing, conflicts of interest may arise and the Board will exercise its judgement in managing such conflicts. In such circumstances, Edition will apply its conflicts policy in order to reconcile the conflict in the first instance and thereafter, if required, the Board will exercise its independent judgement, so far as they are able, to protect the interests of the Company. It may not, in such circumstances, be possible to fully protect the interests of the Company.

VCT Risks

Whilst it is the intention of the Board that the Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that such status will be maintained. In particular, should all of the Schemes be approved and become unconditional, following completion of the Merger the Company will hold more than 50% of the shares (in terms of nominal value, voting rights, rights to dividends and rights on a return of capital) in one of its investee companies, STL Management Limited, which interest will need to be reduced below 50% within 12 months of the Merger in order to ensure ongoing compliance with the VCT Rules. Failure to do so, or otherwise to continue to meet the qualifying requirements for a VCT, could result in Shareholders losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the initial income tax relief obtained. Furthermore, should the Company lose its VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the Company would also lose its exemption from corporation tax on its capital gains.

The Directors are committed to maintaining the Company's VCT status but there is a risk that the Company may not fulfil the criteria to maintain full VCT status. If the Company loses its approval as a VCT before Investors have held their Leisure Shares for five years, the 30% income tax relief obtained will have to be repaid by such Investors. Following a loss of VCT status, an Investor will be taxed on dividends paid by the Company, and in addition, a liability to capital gains tax may arise on any subsequent disposal of Leisure Shares.

A Shareholder who disposes of Leisure Shares may be subject to clawback by HMRC of any income

tax reliefs originally claimed if such shares are sold within five years of issue. Any realised losses on the disposal of Shares cannot be used to create an allowable loss for capital gains tax purposes.

If at any time VCT status is lost for the Company, dealings in its Shares will normally be suspended until such time as proposals to continue as a VCT or to be wound-up have been announced.

Income tax relief is not available in respect of a subscription for shares in a VCT where the Investor has sold shares in that VCT and the sale was conditional upon the subscription, or the subscription was conditional upon the sale, or the subscription was made within six months of the sale (before or after). This will also have effect in relation to a subscription for shares in a VCT which is deemed to be a successor or predecessor of the VCT because there has been a merger of VCTs, or a restructuring of a group of companies of which the VCT is a member. The measure will not affect subscriptions for shares where the monies being subscribed represent dividends which the Investor has elected to reinvest.

The tax rules, or their interpretation, in relation to an investment in the Company and/or the rates of tax may change during the life of the Company and may apply retrospectively, which may affect tax reliefs obtained by Shareholders and the VCT status of the Company. In 2015, a sunset clause for VCT income tax relief was introduced. This provides that income tax relief will no longer be given to subscriptions made on or after 6 April 2025, unless the legislation is renewed by an HM Treasury order. The Company is monitoring this risk and the potential impact on the Company.

Risks associated with there being multiple share classes

Although the New Articles will contain provisions allocating the assets and liabilities of the Company to the various different classes of Shares which will exist following the Offer and the Merger, such allocations may not in all circumstances (for example insolvency situations) be effective in ring-fencing the assets and liabilities of one share class from the other, particularly in relation to a third party creditor or claimant against the Company.

The interests of the different classes of Shareholders may not always be aligned, for example in relation to statutory holding periods for certain tax reliefs that commence from the issue date of the relevant Share. Certain relevant tests (for example, in relation to the ability to pay dividends and/or finance the buy-back of Shares and in relation to compliance with the VCT Rules) are, however, calculated on a Company-wide basis. In addition, certain corporate actions (such as a winding-up for example) can only be done on a Company-wide basis. It may, therefore, occur that the interests of the different classes of Shareholders are not aligned in relation to a certain matter.

Geo-political and economic Risks

The military invasion of Ukraine by Russian forces has caused various countries to announce the imposition of sanctions on Russia. These sanctions may lead to unpredictable reactions from Russia, particularly in relation to the provision of, or access to, energy resources which may have a consequential impact on economic conditions globally, including the costs of living and the availability (and increased cost) of raw materials. Such increased costs of living and the availability (and increased cost) of raw materials may also have an indirect impact on businesses in which the Company may seek to make investments in respect of the Leisure Shares because individuals may have less disposable income to spend on leisure activities and/or expansion plans may be delayed or suffer cost overruns, thereby hindering growth or the results of operations.

The threat of rising inflation means that individuals may have less disposable income available for discretionary spending, which may impact on the performance of businesses in the leisure sector (in which the Company intends to make investments in respect of the Leisure Shares). In addition, such inflationary pressure may impact on the profitability of the businesses in which the Company invests (as a result of increased costs which cannot be fully passed on to customers). Consequently, any change of governmental, economic, fiscal, monetary or political policy, and in particular any spending cuts or material increases in interest rates could affect, directly or indirectly, the operation of the Company and/or the performance of the Company (as a result of the performance of its underlying investments) and the value of, and returns from, the Leisure Shares.

PART IV

SUMMARY OF CHANGES UNDER THE NEW ARTICLES

1. Definitions and Interpretation

The definitions set out on pages 8 to 14 of this document shall have the same meanings when used in the context of this Part IV.

2. Shares Classes

The primary change pursuant to the New Articles is to introduce four share classes being: New OT1 Ordinary Shares, New OT3 Ordinary Shares, New OT4 Ordinary Shares and Leisure Shares.

The New OT1 Ordinary Shares, New OT3 Ordinary Shares and New OT4 Ordinary Shares are being introduced such that:

- (i) the assets held by the Company that are acquired from OT1 following the Merger as invested in or presented by investments or cash or other assets from time to time (less the proportion of the Company's expenses and liabilities as the Directors shall reasonably allocate to the assets attributable to the New OT1 Ordinary Shares) shall be attributable to the New OT1 Ordinary Shares;
- (ii) the assets held by the Company that are acquired from OT3 following the Merger as invested in or presented by investments or cash or other assets from time to time (less the proportion of the Company's expenses and liabilities as the Directors shall reasonably allocate to the assets attributable to the New OT3 Ordinary Shares) shall be attributable to the New OT3 Ordinary Shares;
- (iii) the assets held by the Company that are acquired from OT4 following the Merger as invested in or presented by investments or cash or other assets from time to time (less the proportion of the Company's expenses and liabilities as the Directors shall reasonably allocate to the assets attributable to the New OT4 Ordinary Shares) shall be attributable to the New OT4 Ordinary Shares.

The Ordinary Shares will remain in existence and the assets attributable to such shares will be the net cash proceeds (after all expenses relating thereto) of any issue of the Ordinary Shares as invested in, or represented by, investments or cash or other assets from time to time less such proportion of the Company's expenses and liabilities as the Directors shall reasonably allocate to the assets attributable to the Ordinary Shares.

The Company is also introducing a new class of Leisure Shares which will be the shares subject to the new Offer. The Leisure Shares will be allocated the net cash proceeds (after all expenses relating thereto) of any issue of the Leisure Shares as invested in, or represented by, investments or cash or other assets from time to time less such proportion of the Company's expenses and liabilities as the Directors shall reasonably allocate to the assets attributable to such Leisure Shares.

Each of the New OT1 Ordinary Shares, Ordinary Shares, New OT3 Ordinary Shares, New OT4 Ordinary Shares and Leisure Shares rank *pari passu* within their respective classes in relation to dividends or other distributions declared, made or paid after their date of issue. Each of the New OT1 Ordinary Shares, Ordinary Shares, New OT3 Ordinary Shares, New OT4 Ordinary Shares and Leisure Shares will carry the same voting rights as the existing Ordinary Shares.

Under the New Articles, the Company will allocate the economic benefit of any distributions or realisations derived from the different asset pools to the Ordinary Shares, to the New OT1 Ordinary Shares, to the New OT3 Ordinary Shares, to the New OT4 Ordinary Shares or to the Leisure Shares respectively. Therefore, if the assets attributable to a particular share class produce income from shares and securities, that income will not directly benefit, or be payable to, the Shareholders in the other share classes and vice versa.

The New Articles will, however, provide that reserves (whether created upon the cancellation of the share premium account arising from the issue of Ordinary Shares, Consideration Shares, Leisure Shares, through normal trading activities or otherwise) may be used for the benefit of the other share class. While this will not transfer any Net Asset Value between the different share classes, it will permit those reserves to be treated as distributable reserves on a Company-wide basis such that on an accounting basis dividends and share buybacks in respect of any share classes may be facilitated by the availability of those reserves.

In practice, this means that if the Company were to declare and pay a dividend in respect of the Leisure Shares (utilising the distributable reserves which had been generated for the Company from

the assets attributable to another share class), this may impact on the Company's ability to declare and pay a dividend in respect of those other share classes in the event of a subsequent realisation (due to the lack of available reserves).

3. Directors' Fees

The maximum aggregate limit for any remuneration for services for all of the Directors is being increased from £75,000 to £125,000.

4. Other

The above description summarises the main changes under the New Articles, but does not form part of the New Articles and should not be taken as affecting the interpretation of the New Articles.

The New Articles will be available for inspection at the Company's registered office and the offices of Hill Dickinson LLP (at 50 Fountain Street, Manchester M2 2AS) during usual business hours on any weekday (Saturday, Sunday and public holidays in the United Kingdom excluded) and can also be accessed via the Company's website at www.oxfordtechnologyvct.com/vct2.html from the date of this document until the end of the General Meeting and will be available for inspection at the place of the General Meeting for at least 15 minutes prior to and during the General Meeting.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share Capital

2.1 As at 17 May 2022 (being the latest practicable date prior to the publication of this document), the Company's share capital comprised 5,331,889 Ordinary Shares (all of which were fully paid and none of which were held in treasury).

2.2 As at 17 May 2022 (this being the latest practicable date prior to the publication of this document), no share or loan capital of the Company was under option or had been agreed, conditionally or unconditionally, to be put under option.

3. Directors and their Interests

3.1 The names and business addresses of the Directors, all of whom are non-executive, are as follows:

- Richard Roth (Chairman)
- Alex Starling
- David Livesley
- Robin Goodfellow

all of Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA (the registered office and principal place of business of the Company).

3.2 As at 17 May 2022 (this being the latest practicable date prior to the publication of this document), the interests of the Directors (and their immediate families) in the issued share capital of the Companies were as follows:

	Ordinary Shares	(%)	OT1 Shares	(%)	OT3 Shares	(%)	OT4 Shares	(%)
Richard Roth	44,033	0.83	10,000	0.18	38,149	0.61	64,310	0.56
Alex Starling	Nil	Nil	12,249	0.23	Nil	Nil	Nil	Nil
David Livesley	Nil	Nil	Nil	Nil	Nil	Nil	3,499	0.03
Robin Goodfellow	14,000	0.26	90,932	1.67	35,000	0.56	20,000	0.17

In addition, the Directors intend to subscribe for, in aggregate, £20,000 under the Offer.

3.3 Details of Directors' emoluments for the year ended 28 February 2022 are in the table below.

Director	Date of appointment	Date of appointment letter	Remuneration for the year ended 28 February 2022 (£)
Richard Roth	1 July 2015	26 August 2015	8,500
Alex Starling	1 July 2015	26 August 2015	3,500
David Livesley	1 July 2015	26 August 2015	3,500
Robin Goodfellow	1 July 2015	26 August 2015	5,000

3.4 In recognition of the additional work which has been undertaken by certain of the Directors in connection with the Merger and the Offer, the Company has agreed to make an additional one-off payment in the sum of £30,000. Of this sum, Richard Roth will receive £27,000 and David Livesley will receive £3,000, both which are expected to be paid shortly following the Merger

becoming effective (but are not conditional upon the Merger proceeding). This payment constitutes a smaller related party transaction for the purposes of Chapter 11 of the Listing Rules. BDO LLP, as the Company's sponsor, has provided written confirmation that this payment is fair and reasonable so far as the Shareholders as a whole are concerned.

- 3.5 Each of the Directors is also a director of OT1, OT3 and OT4, which means that they have potential conflicts of interest between their duties as a director of the Company and their private interests and duties.
- 3.6 Other than disclosed in this paragraph 3 or paragraph 5.1.2 (in respect of their letters of appointment), no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the years ended 29 February 2020, 28 February 2021 and 28 February 2022 or in the current financial year or which was effected in an earlier financial year and remains in any respect outstanding or unperformed.

4. Major Shareholders

- 4.1 As at 17 May 2022 (this being the latest practicable date prior to publication of this document), the Company has been notified of the following investors whose interest exceeds 3% of the Company's issued share capital:
- Redmayne Nominees Limited, 6.42% (includes the beneficial interests of Ms Shivani Palakpari Shree Parikh);
 - Barclays Direct Investing Nominees Ltd, 5.13%;
 - Mrs Mary Louisa Perry, 3.84%;
 - Hargreaves Lansdown Nominees Limited, 3.24%; and
 - Merrick Sidney Whitehouse Feast, 3.19%.
- 4.2 Save as disclosed in paragraph 4.1, as at 17 May 2022 (this being the latest practicable date prior to the publication of this document), the Company is not aware of any person who has, or immediately following the issue of Consideration Shares pursuant to the Schemes, directly or indirectly will have, a direct or indirect interest in the Company's capital or voting rights which is notifiable under UK law (under which, pursuant to CA 2006, the Listing Rules or the Disclosure Guidance & Transparency Rules of the FCA, a holding of 3% or more must be notified to the Company).

5. Material Contracts

- 5.1 Save as disclosed in this paragraph 5.1, the Company has not entered into, other than in the ordinary course of business, any contract which is or may be material to the Company within the two years immediately preceding the publication of this document or into any contract containing provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:

5.1.1 Existing IMA

Under the terms of the Existing IMA, the Company appointed OT2M as its investment manager, with OT2M agreeing to provide investment management services to the Company on an advisory basis. Pursuant to this agreement, OT2M also agrees to provide investment advice and administrative services to the Company.

As consideration for the provision of services pursuant to the Existing IMA, OT2M is entitled to an annual management fee (payable monthly in arrears) in an amount equal to 1% of the Net Asset Value of the Company at the end of the preceding accounting year.

Further, unless otherwise agreed by OT2M and the Company, all costs and expenses which are incurred by OT2M in the performance of its duties under the Existing IMA shall be borne by the Company, provided that such costs and expenses (a) fall within the annual budgets agreed with the Board from time to time and (b) when aggregated with the annual management fee referred to above (but excluding, for the avoidance of doubt, any fees payable to Directors), do not exceed 3% of the Net Asset Value of the company at the end of the preceding accounting year.

In addition to the above, OT2M may be entitled to receive a performance incentive fee in an amount equal to 14/80 of any dividend paid by the Company, provided that Shareholders have received in excess of a specified return for each 100p (gross)

invested in the Company.

This specified return of 100p has been increased by compounding that portion that remains to be paid to shareholders by 6% per annum with effect from 1 March 2010, resulting in the remaining required threshold being 145.9p at 28 February 2022, corresponding to a total shareholder return of 175.2p after taking into account the 29.3p already paid out (29.3p + 145.9p = 175.2p). The 29.3p already paid out includes an effective 6.8p (per original share) that was returned to Shareholders as part of a tender offer undertaken by the Company.

After this amount has been distributed to Shareholders, each extra 100p distributed goes 80p to the Shareholders and 20p to the beneficiaries of the performance incentive fee, of which OT2M receives 14p.

OT2M has subcontracted all of its rights, duties and obligations pursuant to the Existing IMA to OTM as at the date of this document.

5.1.2 *Directors' letters of appointment*

Each of the Directors has an existing letter of appointment with the Company which was dated 26 August 2015, and pursuant to which each Director is entitled to receive fees, as more particularly detailed in paragraph 3.3 of this Part V. This appointment is terminable by either party giving not less than six months' notice at any time.

Each of the Directors has also entered into a new letter of appointment with the Company (each dated 18 May 2022), which shall replace their existing letter of appointment and which shall come into effect on the earlier of (i) the date of first Admission of Leisure Shares or (ii) the date the Merger is approved. Under the terms of these new letters, each party can terminate the relevant appointment by giving to the other not less than six months' notice in writing. Under these new letters, each Director is required to continue to perform the duties normally attendant on the office of a non-executive director, including the review of the performance of the Company's portfolio of investments and consideration of investment opportunities (which are not expected to include executive duties or responsibilities).

Under the terms of their new letters of appointment, with effect from 1 March 2023 each Director shall be entitled to a fee per annum as detailed below (the increased amounts payable to Richard Roth being in recognition of his role as chairman of the Company and as chairman of the Company's Audit Committee and to Robin Goodfellow being in recognition of his role as a member of the Company's Audit Committee).

Director	Remuneration with effect from 1 March 2023 (£)
Richard Roth	27,000
Alex Starling	14,000
David Livesley	14,000
Robin Goodfellow	18,000

In addition to these fees (and subject to the Schemes being approved), under their new letters of appointment the Directors (and certain former directors of the Company) will continue to be entitled to participate in a performance fee which is calculated in a similar manner to the OT2 Performance Incentive Fee, the OT1 Performance Incentive Fee, the OT3 Performance Incentive Fee and the OT4 Performance Incentive Fee which may be payable to OT2M under the terms of the Amended IMA or OTM under the terms of the New Portfolio Monitor Agreement (save that the Directors (and former directors) are entitled to the balance of the fee not payable to OT2M or OTM (as the case may be), divided between them based on relative length of service compared to the total period since formation of the Company (in respect of the OT2 Performance Incentive Fee) or the Target VCTs (in respect of the OT1 Performance Incentive Fee, the OT3 Performance Incentive Fee and the OT4 Performance Incentive Fee)). The amount of these performance fees (if any) payable to the Directors is capped such that, when aggregated with all of the other transactions or arrangements which are related party transactions for the purposes of Chapter 11 of the Listing Rules between the Company and the relevant Director in the twelve month period ending with the proposed date of payment of a performance fee, the amount payable does not constitute a related party transaction which requires

shareholder approval in accordance with the provisions of Chapter 11 of the Listing Rules.

These new letters of appointment for the Directors constitute smaller related party transactions for the purposes of Chapter 11 of the Listing Rules. BDO LLP, as the Company's sponsor, has provided written confirmation that these letters of appointment are fair and reasonable so far as the Shareholders as a whole are concerned.

Save as set out above, the Directors are not entitled to any benefits upon termination of their appointment.

5.1.3 *Merger Agreement*

Under the terms of an agreement dated 18 May 2022 (the **Merger Agreement**) and made between the Company (1), OT1 (2), OT3 (3) and OT4 (4), the Companies have agreed, amongst other things, to certain cost sharing arrangements in connection with the proposed Schemes. The total amount of costs for which the Companies may be liable pursuant to the terms of the Merger Agreement is estimated to be in the region of £193,000 (inclusive of VAT).

5.1.4 *Offer Agreement*

Under an offer agreement dated 18 May 2022 (the **Offer Agreement**) and made between the Company (1), BDO LLP (2), and Edition (3), BDO LLP has agreed to act as sponsor to the Offer and Edition as agent of the Company has agreed to use its reasonable endeavours to procure subscribers under the Offer. Under the Offer Agreement, Edition shall be paid the Promoter Fee on all monies subscribed under the Offer less (i) an amount equal to any Early Bird Discount or Existing Shareholder Loyalty Discount applicable in respect of that application, and (ii) any amount that Edition has agreed to waive in respect of that Application.

Pursuant to the terms of the Offer Agreement, Edition has agreed to pay a contribution towards the fees of BDO LLP and the Company's legal advisers in relation to the provision of sponsor and legal services and has also agreed to pay all other costs and expenses of, or incidental to, the Offer and Admission of the Leisure Shares.

Under the Offer Agreement, which can be terminated by the parties in certain circumstances, the Company and Edition have given certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closure of the Offer at which Shareholders approve the Company's accounts. The warranties and indemnities are in the usual form for a contract of this type and the warranties are subject to limits of an amount equal to the total proceeds raised by the Company pursuant to the Offer (for Edition). The Company has also agreed to indemnify the Sponsor in respect of its role as sponsor. The Offer Agreement can be terminated by the Sponsor or Edition, *inter alia*, if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.

- 5.2 The following contracts have been or will be entered into (or will become effective), subject, *inter alia*, to the approval by Shareholders of applicable Resolutions at the General Meeting; in the case of paragraphs 5.2.1 and 5.2.4 to 5.2.6 (inclusive), the Schemes becoming effective; and, in the case of paragraphs 5.2.2 and 5.2.3 the first Admission of the Leisure Shares:

5.2.1 *Amended IMA*

An investment management agreement dated 18 May 2022 between the Company (1) and OT2M (2), pursuant to which, conditional upon the Merger becoming effective and approval of Existing Shareholders of Resolution 6, OT2M shall continue to be appointed as the investment manager to the Company for an interim period pending the first Admission of Leisure Shares. As with the Existing IMA, OT2M shall continue to subcontract all of its rights, duties and obligations pursuant to the Amended IMA to OTM.

Under the terms of the Amended IMA, OT2M will be entitled to an annual management fee (payable monthly in arrears) in an amount equal to:

- 1% of the Net Asset Value of the Ordinary Share Pool, the New OT3 Share Pool and the New OT4 Share Pool; and
- 0.5% of the Net Asset Value of the New OT1 Share Pool,

in each case such Net Asset Value being measured as at 28 February 2022 (in the first year of the Amended IMA) and at the end of the preceding accounting year of the Company (in each subsequent year while the Amended IMA remains in force). This annual management fee will continue to be passed on to OTM through the applicable sub-contracting arrangements until such time as the Amended IMA is terminated and replaced by the Edition IMA.

In addition, OT2M may be entitled to receive performance fees pursuant to the terms of the Amended IMA as more particularly detailed on pages 26 and 27.

Unless otherwise agreed by OT2M and the Company, all costs and expenses which are incurred by OT2M in the performance of its duties under the Amended IMA shall be borne by the Company and split equally between the Ordinary Share Pool and each of the Target VCT New Share Pools (to the extent created as a result of the Merger), provided that such costs and expenses as allocated to and borne by each of the Ordinary Share Pool and the Target VCT New Share Pools (a) fall within the annual budgets agreed with the Board from time to time and (b) when aggregated with the annual management fee referred to above (but excluding, for the avoidance of doubt, any fees payable to Directors), do not exceed 3% of the Net Asset Value of each of the Ordinary Share Pool and the Target VCT New Share Pools at the end of the preceding accounting year (or, in the case of the first period in which such amount is calculated, such Net Asset Value of the Ordinary Share Pool or the relevant Target VCT New Share Pool (as the case may be) as would have applied had the Merger (to the extent approved) been completed as at 28 February 2022).

This agreement will automatically terminate with effect from the first Admission of Leisure Shares, without compensation being payable to OT2M.

5.2.2 *Edition IMA*

An investment management agreement dated 18 May 2022 between the Company (1) and Edition (2), pursuant to which, with effect from and conditional upon first Admission of the Leisure Shares, Edition has been appointed as the investment manager to the Company.

The appointment of Edition as investment manager is conditional upon the first Admission of the Leisure Shares and is for an initial period of 5 years and thereafter may be terminated by either side giving not less than 12 months' notice in writing (such notice not to expire before the end of the initial 5 year period) and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied.

Under the terms of this agreement, Edition will be entitled to an annual management fee in an amount equal to 2% of the weighted average Net Asset Value of the Leisure Share Pool (calculated and payable quarterly in arrears) and an administration fee (to cover back-office costs) in an amount equal to 0.5% of the weighted average Net Asset Value of the Company per annum (calculated and payable quarterly on the same basis as the annual management fee). The administration fee payable to Edition is capped at £75,000 per annum.

Pursuant to the terms of the Edition IMA, Edition has agreed to cap the Annual Running Costs such that, during the Initial Period, the Annual Running Costs shall be solely allocated to the Leisure Share Pool and shall not exceed 1% of the weighted average Net Asset Value of the Leisure Share Pool (plus up to 50% of the charges for all trail commissions incurred by the Company).

Edition has agreed to indemnify the Company, with effect from the start of the quarter in which the first Admission of the Leisure Shares takes place, to give effect to these cost cap arrangements.

After the Initial Period, Edition and OTM have each agreed to cap the Annual Running Costs such that they shall not exceed 1% of the weighted average Net Asset Value of the Company (plus up to 50% of the charges for all trail commissions incurred by the Company) and such costs will be allocated to, and borne by, the Leisure Share Pool, the Ordinary Share Pool and the Target VCT New Share Pools pro rata to their respective Net Asset Values during the periods in question. To the extent that this cap on Annual Running Costs should be breached, Edition and OTM shall indemnify the Company proportionately based on the investment management, portfolio monitoring and administration fees payable to them (as the case may be) in respect of the period in question.

When conflicts occur between Edition and the Company because of other activities and relationships of Edition, Edition will ensure that the Company receives fair treatment and such conflicts will be disclosed to the Company.

Edition may make investments on behalf of the Company in collective investment vehicles of which it is manager. There will be no duplication of fees in such situations. Edition may also make investments on behalf of the Company in companies where Edition has been involved in provision of services to those companies and may receive commissions, benefits, charges or advantage from so acting.

The provision by Edition of investment management services is subject to the overall control, direction and supervision of the Directors.

5.2.3 *New Portfolio Monitor Agreement*

An agreement dated 18 May 2022 between the Company (1), OTM (2) and Edition (3) whereby, with effect from termination of the Amended IMA and the appointment of Edition as new investment manager of the Company pursuant to the Edition IMA, OTM has agreed to act as portfolio monitor to the Company and Edition in respect of investments comprised in the Ordinary Share Pool and the Target VCT New Share Pools, it being acknowledged by all parties that any decisions in respect of follow-on investments or disposals of investments comprised in the Ordinary Share Pool or the Target VCT New Share Pools (or the valuations thereof) shall be for the Board.

OTM will be entitled to an annual monitoring fee (calculated and payable quarterly in arrears) in an amount equal to:

- 0.5% of the weighted average Net Asset Value of the Ordinary Share Pool, the New OT3 Share Pool and the New OT4 Share Pool; and
- 0.25% of the weighted average Net Asset Value of the New OT1 Share Pool.

As noted above, after the Initial Period, Edition and OTM have each agreed to cap the Annual Running Costs such that they shall not exceed 1% of the weighted average Net Asset Value of the Company (plus up to 50% of the charges for all trail commissions incurred by the Company) and such costs will be allocated to, and borne by, the Leisure Share Pool, the Ordinary Share Pool and the Target VCT New Share Pools pro rata to their respective Net Asset Values during the periods in question. To the extent that this cap on Annual Running Costs should be breached, Edition and OTM shall indemnify the Company proportionately based on the investment management, portfolio monitoring and administration fees payable to them (as the case may be) in respect of the period in question.

OTM's appointment pursuant to this agreement can be terminated at any time by twelve months' notice by any party and OTM's entitlement to the relevant proportion of the above annual monitoring fee shall cease to apply in the event of conversion of one or more of the share classes to which they relate into another class of Shares.

OTM may also be entitled to a performance fee in respect of the Ordinary Shares or the Consideration Shares as more particularly detailed on pages 26 and 27.

5.2.4 *Documents relating to the OT1 Scheme*

A transfer agreement to be entered into between the Company (1) and OT1 (acting through the Liquidators) (2) pursuant to which all of the assets and liabilities of OT1 will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New OT1 Ordinary Shares in accordance with Part II of this document. The Liquidators will further agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets and/or other rights of OT1 will be transferred on receipt to the Company as part of the OT1 Scheme. This agreement will be entered into as part of the OT1 Scheme and is subject to non-material amendments.

A deed of indemnity to be entered into between the Company (1) and the Liquidators (2) pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the OT1 Scheme. A liquidation fee has been agreed (based on a fixed fee amount plus disbursements) and taken into account in the Merger costs. This agreement will be entered into as part of the OT1 Scheme and is subject to non-material amendments.

5.2.5 *Documents relating to the OT3 Scheme*

A transfer agreement to be entered into between the Company (1) and OT3 (acting through the Liquidators) (2) pursuant to which all of the assets and liabilities of OT3 will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New OT3 Ordinary Shares in accordance with Part II of this document. The Liquidators will further agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets and/or other rights of OT3 will be transferred on receipt to the Company as part of the OT3 Scheme. This agreement will be entered into as part of the OT3 Scheme and is subject to non-material amendments.

A deed of indemnity to be entered into between the Company (1) and the Liquidators (2) pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the OT3 Scheme. A liquidation fee has been agreed (based on a fixed fee amount plus disbursements) and taken into account in the Merger costs. This agreement will be entered into as part of the OT3 Scheme and is subject to non-material amendments.

5.2.6 *Documents relating to the OT4 Scheme*

A transfer agreement to be entered into between the Company (1) and OT4 (acting through the Liquidators) (2) pursuant to which all of the assets and liabilities of OT4 will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New OT4 Ordinary Shares in accordance with Part II of this document. The Liquidators will further agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets and/or other rights of OT4 will be transferred on receipt to the Company as part of the OT4 Scheme. This agreement will be entered into as part of the OT4 Scheme and is subject to non-material amendments.

A deed of indemnity to be entered into between the Company (1) and the Liquidators (2) pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the OT4 Scheme. A liquidation fee has been agreed (based on a fixed fee amount plus disbursements) and taken into account in the Merger costs. This agreement will be entered into as part of the OT4 Scheme and is subject to non-material amendments.

6. General

- 6.1 The Company was incorporated and registered in England and Wales under CA 1985 as a public company with limited liability on 18 February 2000 with registered number 03928569. The principal legislation under which the Company operates is CA 2006 (and regulations made thereunder). The Company is domiciled in England. The Company is not regulated by the FCA or an equivalent European Economic Area regulator, but it is subject to regulation by HMRC under the VCT rules in order to qualify as a VCT.
- 6.2 Statutory accounts of the Company for the years ended 29 February 2020 and 28 February 2021, in respect of which the Company's previous auditors, UHY Hacker Young LLP, have made unqualified reports under section 495 of CA 2006, have been delivered to the Registrar of Companies and such reports did not contain any statements under sections 495 to 497A of CA 2006.
- 6.3 Statutory accounts of the Company for the year ended 28 February 2022, in respect of which the Company's auditors Hazlewoods LLP, have made unqualified reports under section 495 of CA 2006, have been delivered to the Registrar of Companies and such report did not contain any statement under sections 495 to 497A of CA 2006.
- 6.4 Save for the directors' fees paid to the Directors (as detailed in paragraph 3.4 above), the directors' new letters of appointment (as detailed in paragraph 5.1.2 above) and the Amended IMA as described in this Circular, there were no related party transactions or fees paid by the Company during the years ended 28 February 2022, 28 February 2021 and 29 February 2020 or to the date of this document in the current financial year.
- 6.5 The Company has no employees and its only subsidiary is OT2M (incorporated and registered in England and Wales with registered number 09630445), which is wholly owned.
- 6.6 On 17 May 2022, the Company announced that, after adjusting for movements in the share prices of its listed investments (in Scancell Holdings plc and Arcor Therapeutics plc) and the running costs of the Company since 28 February 2022, the unaudited NAV per Ordinary

Share as at 17 May 2022 had fallen by 6% to 32.3p (from the previously published figure of 34.4p as at 19 April 2022, as announced on 22 April 2022). Subject to this, there has been no significant change in the financial position of the Company which has occurred since the end of the last financial period for which its audited financial statements have been published (being 28 February 2022) up to the date of this document.

- 6.7 On 17 May 2022, OT1 announced that, after adjusting for movements in the share price of its listed investment (in Scancell Holdings plc and Arecor Therapeutics plc), the unaudited NAV per OT1 Share as at 17 May 2022 had fallen by 10% to 42.6p (from the previously published figure of 47.3p as at 19 April 2022, as announced by OT1 on 22 April 2022). Subject to this, there has been no significant change in the financial position of OT1 which has occurred since the end of the last financial period for which its unaudited interim financial information has been published (being 28 February 2022) up to the date of this document.
- 6.8 On 17 May 2022, OT3 announced that, after adjusting for movements in the share prices of its listed investments (in Scancell Holdings plc and Arecor Therapeutics plc), the unaudited NAV per OT3 Share as at 17 May 2022 had fallen by 10% to 42.2p (from the previously published figure of 46.8p as at 19 April 2022, as announced by OT3 on 22 April 2022). Subject to this, there has been no significant change in the financial position of OT3 which has occurred since the end of the last financial period for which its unaudited interim financial information has been published (being 28 February 2022) up to the date of this document.
- 6.9 On 17 May 2022, OT4 announced that, after adjusting for movements in the share prices of its listed investments (in Arecor Therapeutics plc and Mirriad Advertising plc) and the running costs of OT4 since 28 February 2022, the unaudited NAV per OT4 Share as at 17 May 2022 had fallen by 4% to 40.8p (from the previously published figure of 42.3p as at 19 April 2022, as announced by OT4 on 22 April 2022). Subject to this, there has been no significant change in the financial position of OT4 which has occurred since the end of the last financial period for which its unaudited interim financial information has been published (being 28 February 2022) up to the date of this document.
- 6.10 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Company or any of the Target VCTs are aware) which may have, or have had in the 12 months immediately preceding the date of this document, a significant effect on the financial position or profitability of the Enlarged Company.
- 6.11 BDO LLP, Hill Dickinson LLP, Shoosmiths LLP, James Cowper LLP, UHY Hacker Young LLP, Hazlewoods LLP and the Liquidators have given and not withdrawn their written consent to the issue of this document and the inclusion of their names and the references to them in this document in the form and context in which they appear.

7. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the Effective Date at the registered office of the Company and the offices of Hill Dickinson LLP, 50 Fountain Street, Manchester M2 2AS and can also accessed via the Company's website at www.oxfordtechnologyvct.com/vct2.html while the Offer remains open:

- 7.1 the Articles and the New Articles;
- 7.2 the annual report and financial statements of the Company for the financial years ended 29 February 2020, 28 February 2021 and 28 February 2022;
- 7.3 the annual report and financial statements of the Target VCTs for the financial years ended 28 February 2019, 29 February 2020 and 28 February 2021 and the unaudited interim reports for the 12-month period ended 28 February 2022;
- 7.4 the material contracts referred to in paragraph 5 above;
- 7.5 the consents referred to in paragraph 6.11 above;
- 7.6 the Target VCTs Circulars;
- 7.7 the Prospectus; and
- 7.8 this document.

18 May 2022

OXFORD TECHNOLOGY 2 VENTURE CAPITAL TRUST PLC

(Registered in England and Wales with registered number 03928569)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Oxford Technology 2 Venture Capital Trust Plc (“the **Company**”) will be held at 3.00 p.m. (or as soon thereafter following the conclusion of the general meeting of Oxford Technology 4 Venture Capital Trust Plc convened for 2.45 p.m.) on 20 June 2022 at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA, for the purposes of considering and, if thought fit, passing the following resolutions.

Each of resolutions 1 – 4 (inclusive) are conditional upon shareholders approving resolutions 5, 6 and 8. Resolution 9 is also conditional upon shareholders approving resolution 4.

Ordinary Resolutions

- 1 That, subject to the OT1 Scheme (as defined in and provided for in the circular to shareholders dated 18 May 2022 (“**Circular**”)) becoming unconditional:
 - 1.1 the acquisition of the assets and liabilities of Oxford Technology Venture Capital Trust Plc on the terms set out in the Circular be and hereby is approved; and
 - 1.2 in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with section 551 of the CA 2006 to exercise all the powers of the Company to allot New OT1 Ordinary Shares in the Company up to an aggregate nominal amount of £54,316.55 in connection with the OT1 Scheme, provided that the authority conferred by this paragraph 1.2 of resolution 1 shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting).
- 2 That, subject to the OT3 Scheme (as defined in and provided for in the Circular) becoming unconditional:
 - 2.1 the acquisition of the assets and liabilities of Oxford Technology 3 Venture Capital Trust Plc on the terms set out in the Circular be and hereby is approved; and
 - 2.2 in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with section 551 of the CA 2006 to exercise all the powers of the Company to allot New OT3 Ordinary Shares in the Company up to an aggregate nominal amount of £62,545.96 in connection with the OT3 Scheme, provided that the authority conferred by this paragraph 2.2 of resolution 2 shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting).
- 3 That, subject to the OT4 Scheme (as defined in and provided for in the Circular)) becoming unconditional:
 - 3.1 the acquisition of the assets and liabilities of Oxford Technology 4 Venture Capital Trust Plc on the terms set out in the Circular be and hereby is approved; and
 - 3.2 in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with section 551 of the CA 2006 to exercise all the powers of the Company to allot New OT4 Ordinary Shares in the Company up to an aggregate nominal amount of £115,196.46 in connection with the OT4 Scheme, provided that the authority conferred by this paragraph 3.2 of resolution 3 shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting).
- 4 That, in addition to existing authorities and the authority conferred by resolutions 1 to 3 (inclusive), the directors of the Company be and hereby are generally and unconditionally authorised in accordance with section 551 of CA 2006 to exercise all the powers of the Company to allot Leisure Shares and to grant rights to subscribe for or to convert any security into Leisure Shares up to an aggregate nominal amount of £200,000, provided that, the authority so conferred shall expire (unless renewed, varied or revoked by the Company in general meeting) 18 months following the date of the passing of this resolution, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted

or rights to be granted after such expiry and the directors shall be entitled to allot shares and grant rights pursuant to any such offer or agreement as if this authority had not expired.

- 5 That, the amended and restated investment policy set out under the heading “Proposed Investment Policy” described in this Circular and produced to the meeting, and for the purpose of identification signed by the chairman, be and hereby is approved and adopted as the investment policy of the Company, subject to such amendments of a non-material nature as the directors may consider necessary or desirable.
- 6 That the entry by the Company into the revised arrangements pursuant to the Amended IMA (as described in the Circular), a copy of which is produced to the meeting and, for the purposes of identification only, is initialled by the chairman be and it is hereby approved as a related party transaction for the purpose of Chapter 11 of the Listing Rules, and the directors be and they are hereby authorised to do or procure to be done all such acts and things on behalf of the Company as they consider necessary or expedient for the purpose of giving effect to the Amended IMA and this resolution and to carry the same into effect with such modifications, variations, revisions, waivers or amendments as the directors may in their absolute discretion think fit, provided such variations, revisions, waivers or amendments are not of a material nature.
- 7 That the Company be and hereby is empowered to make one or more market purchases within the meaning of Section 693(4) of CA 2006 of its own shares (either for cancellation or for the retention as treasury shares for future re-issue or transfer) provided that:
 - 7.1 The aggregate number of shares which may be purchased shall not exceed 2,853,508;
 - 7.2 the minimum price which may be paid per share is the nominal value thereof (being 1p);
 - 7.3 the maximum price which may be paid per share is an amount equal to the higher of (i) 105% of the average of the middle market quotation per share (of the relevant class) taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which such share is to be purchased; and (ii) the amount stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003;
 - 7.4 the authority conferred by this resolution 7 shall expire (unless renewed, varied or revoked by the Company in general meeting) 18 months following the date of the passing of this resolution; and
 - 7.5 the Company may make a contract to purchase shares under the authority conferred by this resolution 7 prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of such shares.

Special Resolutions

- 8 That the draft articles of association produced to the meeting and, described in the Circular and, for the purposes of identification, initialled by the chairman be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company’s existing articles of association.
- 9 That, in addition to existing authorities, the directors of the Company be and hereby are empowered pursuant to sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in section 560(1) of CA 2006) for cash pursuant to the authority conferred or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to such allotment, provided that the authority shall be limited to the allotment of equity securities with an aggregate value not exceeding £200,000 in connection with offer(s) for subscription where the proceeds may be used in whole or part to purchase shares in the capital of the Company, such authority conferred provided by this resolution shall expire (unless renewed, varied or revoked by the Company in general meeting) 18 months following the date of the passing of this resolution, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or rights to be granted after such expiry and the directors shall be entitled to allot shares and grant rights pursuant to any such offer or agreement as if this authority had not expired.
- 10 That the amount standing to the credit of the share premium account of the Company and the capital redemption reserve of the Company at the date an order is made confirming such cancellation by the Court, be and hereby is cancelled.

Dated: 18 May 2022

By order of the Board

James Gordon
Company Secretary

Registered Office:
Magdalen Centre
Oxford Science Park
Oxford, Oxfordshire
OX4 4GA

Notes:

1. Each of resolutions 1 to 7 will be proposed as Ordinary Resolutions. Resolutions 8 to 10 will be proposed as Special Resolutions. As noted above, each of resolutions 1 – 4 (inclusive) are conditional upon shareholders approving resolutions 5, 6 and 8. Resolution 9 is also conditional upon shareholders approving resolution 4.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent the appointer. Details of how to appoint the Chairman of the meeting or another person as a proxy using the proxy card accompanying this notice ("**Form of Proxy**") are set out in the notes on the Form of Proxy. If the member wishes his or her proxy to speak on their behalf at the meeting then the member will need to appoint their own choice of proxy (not the Chairman) and give their instructions directly to the proxy. To be valid, a Form of Proxy must be lodged with the Company's Registrar, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD, at least 48 hours (ignoring non-working days) before the meeting, being 3.00 p.m. on 16 June 2022. A Form of Proxy for use by members is enclosed or accompanies this notice. Completion of this Form of Proxy will not prevent a member from attending the meeting.
3. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast there at will be determined by reference to the Register of Members of the Company at 6pm on the day which is two days before the day of the meeting (being 6pm on 18 June 2022) or adjourned meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by 3.00 p.m. on 16 June 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
6. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings
7. As at 17 May 2022 (being the last business day prior to the publication of this notice), the Company's issued share capital comprised 5,331,889 ordinary shares of 1p each, all of which carry one vote each. Therefore, the total voting rights in the Company as at 17 May 2022 was 5,331,889.
8. Copies of the directors' new letters of appointment, the Register of Directors' Interests in shares of the Company, a copy of the Amended IMA to be approved pursuant to Resolution 6 and copies of the existing articles of association of the Company and the revised articles of association to be adopted pursuant to Resolution 8 (together with certain other documents as noted in the Circular) will be available for inspection at the Company's registered office and the offices of Hill Dickinson, 50 Fountain Street, Manchester M2 2AS during usual business hours on any weekday (Saturday and Public Holidays excluded) from the date of this notice, until the end of the General Meeting and at the place of the General Meeting for at least 15 minutes prior to and during the meeting.
9. If a corporate shareholder has appointed a corporate representative, the corporate representative will have the same powers as the corporation could exercise if it were an individual member of the Company. If more than one corporate

representative has been appointed, on a vote on a show of hands on a resolution, each representative will have the same voting rights as the corporation would be entitled to. If more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way, the power is treated as exercised; if they do not purport to exercise the power in the same way, the power is treated as not exercised.

10. At the meeting, Shareholders have the right to ask questions relating to the business of the meeting and the Company is obliged under section 319A of the CA 2006 to answer such questions, unless; to do so would interfere unduly with the preparation of the meeting or would involve the disclosure of confidential information, if the information has been given on the Company's website, www.oxfordtechnologyvct.com/vct2.html in the form of an answer to a question, or if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. In order for the orderly conduct of the General Meeting, the Company has arranged separate meetings in advance of the General Meeting during which Shareholders can ask questions relating to the business of the General Meeting.
11. Further information, including the information required by section 311A of the CA 2006, regarding the meeting is available on the Company's website, www.oxfordtechnologyvct.com/vct2.html.

CORPORATE INFORMATION

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Alex Starling
David Livesley
Robin Goodfellow

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03928569

Company Secretary

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Sponsor

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Reporting Accountants

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