

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt about the action to be taken, you should immediately consult a person authorised under the Financial Services and Markets Act 2000 (FSMA) who specialises in advising on the acquisition of shares and other securities.**

If you have sold or otherwise transferred all of your shares in Guinness VCT plc (the “**Company**”), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, authorised financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

This Circular has been approved by the FCA in accordance with section 87A of the FSMA and will be made available to the public.

Howard Kennedy Corporate Services LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and no-one else and will not, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, be responsible to any other person for providing advice in connection with any matters referred to herein.

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### **Guinness VCT plc**

*(Registered in England and Wales with registered number 14220882)*

### **General Meeting in connection with the recommended proposal to approve the payment of the Initial Fee.**

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Your attention is drawn to the letter from the Chairman of the Company set out in Part II of this document which contains a recommendation by your Board to vote in favour of the Resolution. Your attention is also drawn to the risk factors set out in Part I of this document.

You will find set out at the end of this document a notice of the General Meeting, to be held at 11 a.m. on 16 October 2024 at 18 Smith Square, London, SW1P 3HZ, to approve the Resolution.

To be valid, the forms of proxy for the General Meeting should be returned not less than 48 hours before the meeting (excluding weekends and public holidays), either by post or by hand (during normal business hours only) to the Company's Registrar, The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. If you are a Shareholder who has opted for electronic communications, then you will have been sent an email which includes information on how to appoint a proxy on-line.

As an alternative to completing and returning a form of proxy by post or by hand, you may appoint a proxy electronically by accessing the ‘Vote Here’ button/link on the Company's website: <https://www.guinnessgi.com/ventures/guinness-vct>. You will need your City investor number (CIN) and your “Access Code” which may be found either on the form of proxy or in the email sent to you by the Registrar.

The right to vote at the General Meeting is determined by reference to the register of members at close of business two days prior to the General Meeting. Accordingly, to be entitled to vote, Shareholders must be entered in the register of members by close of business on 14 October 2024.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Circular	11 September 2024
Latest time and date for receipt of Forms of Proxy for the General Meeting	11 a.m. on 14 October 2024
Voting record date	close of business on 14 October 2024
General Meeting	11 a.m. on 16 October 2024

*Future times and dates are indicative only and are subject to change by the Company. If the expected timetable of events changes from the above, the Company will release an announcement to this effect.*

*References to time in this Circular are to London time.*

## **DIRECTORS, MANAGER AND ADVISERS**

Directors (all non-executive)	Ewen Hamilton Gilmour (Chair) Joanna Lesley Santinon Andrew Everard Martin Smith
all of (registered office, at)	18 Smith Square London SW1P 3HZ
Promoter and Investment Adviser to the Investment Manager	Guinness Ventures Limited 18 Smith Square London SW1P 3HZ
Investment Manager	Guinness Asset Management Limited 18 Smith Square London SW1P 3HZ
VCT Tax Adviser	Philip Hare & Associates LLP 6 Snow Hill London EC1A 2AY
Sponsor	Howard Kennedy Corporate Services LLP No. 1 London Bridge London SE1 9BG
Auditors	BDO LLP 55 Baker Street London W1U 7EU
Solicitors	Howard Kennedy LLP No. 1 London Bridge London SE1 9BG
Registrar and Receiving Agent in respect of the Offer	The City Partnership (UK) Limited The Mending Rooms Park Valley House Meltham Road Huddersfield HD4 7BH

## PART I - RISK FACTORS

**Shareholders should consider carefully the following risk factors in addition to the other information presented in this document. If the risks described below were to occur, they could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only ones the Company, the Board or Shareholders will face in relation to the proposals set out in this document. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material in relation to such proposals, may also adversely affect the Company's business, financial condition or results of operations. Shareholders should consult a person authorised under FSMA who specialises in advising on investments in shares and other securities in respect of the matters under consideration in this document.**

Completion of the Offer is dependent upon the approval by Shareholders of Resolution 1 to be proposed at the General Meeting. There can be no guarantee that this condition will be satisfied and, if Resolution 1 is not passed, the Offer will be withdrawn. The Company would then be responsible for the abortive costs of preparing the Offer which may have an adverse impact on the Company and its shareholders, whereas if Resolution 1 is passed and the Offer proceeds then the majority of costs of preparing and launching the Offer will be met by the Promoter.

As envisaged by the investment policy of the Company, it is intended that risk will be spread by investing in a number of different businesses within different industries. If Resolution 1 is not passed and the Offer is accordingly withdrawn, the Company will not be able to raise further funds as intended which will prevent the Company from taking advantage of potential investment opportunities. It will also limit the Company's ability to make any follow-on investments into its existing portfolio of businesses, which will dilute the Company's holding if further funds are sought or constrain the growth of those businesses or cause them to fail if they cannot raise any required funding elsewhere.

## PART II — LETTER FROM THE CHAIRMAN

### Guinness VCT plc

*(Registered in England and Wales with registered number 14220882)*

Directors:	Registered Office:
Ewen Hamilton Gilmour (Chair)	18 Smith Square
Joanna Lesley Santinon	London
Andrew Everard Martin Smith	SW1P 3HZ

11 September 2024

Dear Shareholder,

### **Proposal to approve the payment of the Initial Fee.**

#### **Introduction**

As announced on 17 July 2024, the Company is seeking to launch a new fund raise for up to £10 million (with a £5 million over-allotment facility), before expenses, by way of a further offer for subscription for Ordinary Shares to existing and new Shareholders.

Having raised £7.6 million under previous share offers, the Company is seeking to raise further funds to invest in further growth companies in accordance with its published investment policy. We believe that a further offer for subscription is in the best interests of all Shareholders as it will lead to both economies of scale as well greater diversification in the Company's portfolio of investments.

We are writing to you because the proposal to pay a fee to the Promoter (the "**Initial Fee**") based on a percentage of funds raised under the planned further offer for subscription, is a "relevant related party transaction" as defined under the UK Listing Rules as Guinness Ventures Limited, being a majority owned subsidiary of Guinness Asset Management Limited, the investment manager to the Company, is a related party under those rules and, therefore, this requires Shareholder approval.

#### **The Offer**

The Company is seeking to raise £10 million, with an over-allotment facility of £5 million, through a further offer for subscription for Ordinary Shares in respect of the 2024/2025 and 2025/2026 tax years to existing and new Shareholders (the "**Offer**"). Application will be made for all of the Ordinary Shares issued under the Offer to be admitted to listing on the Official List of the FCA and to be admitted to trading on the London Stock Exchange's main market for listed securities.

The net proceeds of the Offer will be applied in accordance with the Company's published investment policy, which is to invest in growth companies in a range of sectors including technology, education, healthcare, manufacturing, retailing, leisure and food and drink. To date, the Company has invested approximately £4.9 million in 14 VCT qualifying and UK based businesses.

The Company is managed by Guinness Asset Management Limited which exercises discretion over which investments form part of the Company's investment portfolio, subject to the mandate provided by the Board. Guinness Asset Management Limited is a specialist fund

management company which has been based in Westminster, London, since its inception in 2003. As at 31 July 2024 it had 78 full-time employees and over £7 billion in assets under management.

The Manager is provided with Investment Advisory Services by the Investment Adviser. These services include sourcing, negotiating and due diligence on potential investments, making investment recommendations to the Manager's investment committee, and assisting with the execution of investment deals. The Investment Adviser is an Appointed Representative and majority controlled subsidiary of the Manager, which is authorised and regulated by the FCA..

Guinness Ventures is a trading name of the EIS and VCT businesses within Guinness Ventures Limited and Guinness Asset Management Limited respectively. Guinness Ventures has established itself as an award winning, leading growth investor, having invested over 300 million of EIS funds into around 200 portfolio companies since 2010 across its Guinness EIS and Guinness AIM EIS portfolios.

### **Proposal to pay the Initial Fee to the Promoter**

The Promoter proposes to charge the Company a fee for assisting in raising funds under the Offer (the "**Initial Fee**").

Accordingly, under an offer agreement dated 11 September 2024 (the "**Offer Agreement**") between the Company, the Directors, Howard Kennedy, the Manager and the Promoter, the Promoter will, subject to the passing of Resolution 1 at the General Meeting, be paid the Initial Fee, being an amount of up to 5.5% of the aggregate value of accepted applications for Ordinary Shares from Investors, under the Offer.

The payment of the Initial Fee is a relevant related party transaction under the UK Listing Rules. Under those rules, the investment manager of a closed-ended investment fund and any member of such investment manager's group, is a related party. A related party transaction is a transaction between an issuer and a related party. Guinness Ventures Limited is a member of the Manager's group being a majority owned subsidiary of the Manager and the entry into the Offer Agreement providing for the Initial Fee is therefore a relevant related party transaction and is required to be approved by the Shareholders under UK Listing Rule 11.5.5R. That is the purpose of Resolution 1 which is being proposed at the General Meeting.

### **General Meeting**

Notice of the required General Meeting is set-out at the end of this document. The General Meeting will be held at 11 a.m. on 16 October 2024 at 18 Smith Square, London, SW1P 3HZ. The Offer is conditional upon Resolution 1 being passed at the General Meeting.

An explanation of Resolution 1 is set out below:

Resolution 1 is an ordinary resolution to approve the payment of the Initial Fee to the Promoter, details of which are set out under the heading "Proposal to pay the Initial Fee to the Promoter" on this page 7. The Promoter is not a Shareholder and will not, therefore, vote on Resolution 1 at the General Meeting and, as a related party to the Company under the UK Listing Rules, has undertaken to take all reasonable steps to ensure that its Associates (as defined in the UK Listing Rules) will not vote on Resolution 1 at the General Meeting.

Resolution 1, as an ordinary resolution, requires the approval of a simple majority of 50% of the votes cast in respect of them.

However, before taking any action, you are recommended to read the further information set out in this document and to seek advice from your Independent Financial Adviser.

If you are a Shareholder who has elected for notifications of communications by post you will receive a form of proxy for use at the General Meeting. If you are a Shareholder who has opted

for electronic communications, then you will have been sent an email which includes information on how to appoint a proxy on-line

Whether or not you propose to attend the General Meeting, you are requested to complete and return the relevant forms of proxy so as to be received not less than 48 hours before the time appointed for holding of the General Meeting (excluding weekends and public holidays). 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. As an alternative to completing and returning a form of proxy by post or hand, you may appoint a proxy electronically by accessing the 'Vote Here' button/link on the Company's website: <https://www.guinnessqi.com/ventures/guinness-vct>. You will need your City investor number (CIN) and your "Access Code" which may be found either on the form of proxy or in the email sent to you by the Registrar..

**Recommendation**

It is in the the Board's opinion that the proposal described in Resolution 1, is in the best interests of the Shareholders as a whole.

The Board therefore considers that the payment of the Initial Fee to the Promoter is fair and reasonable as far as the Shareholders are concerned, the Directors having been so advised by Howard Kennedy, as sponsor to the Company. In providing this advice, Howard Kennedy has taken into account the Directors' commercial assessment of the terms of the Initial Fee. Andrew Everard Martin Smith - for the reasons stated in the following paragraph - has not taken part in the Board's consideration of this proposal.

Accordingly, the Board recommends Shareholders to vote in favour of Resolution 1 at the General Meeting. The Promoter is not a Shareholder and will therefore not vote on Resolution 1. Andrew Everard Martin Smith, as a director of the Company and an employee, director and shareholder of the Promoter and the Manager, will not vote on Resolution 1 at the General Meeting in respect of his holding of Ordinary Shares in the Company as he is not an independent shareholder and the Promoter has undertaken to take all reasonable steps to ensure that its Associates will not vote on Resolution 1 at the General Meeting.

Yours sincerely,

Ewen Hamilton Gilmour, Chair

**Guinness VCT plc**



## PART III - ADDITIONAL INFORMATION

### 1. Responsibility

The Company and the Directors, whose names appear on page 4, 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 10 September 2024 (being the latest practicable date prior to the publication of this document), the issued ordinary share capital of the Company was as follows:

<b>Aggregate nominal value (£)</b>	<b>Number of Shares</b>
£76,657.02	7,665,702

2.2 As at 10 September 2024 (being the latest practicable date prior to the publication of this document), no warrants or options to subscribe for Ordinary Shares are outstanding, nor did the Company hold any share capital in treasury.

### 3. Directors and their Interests

3.1 As at the date of this document the Directors, their immediate families and connected persons within the meaning of Rule 3 of the Disclosure Guidance and Transparency Rules (“**DTR 3**”) have, and, assuming (i) the Offer is fully subscribed (assuming the over-allotment facility is fully utilised), that the last published net asset value per Ordinary Share is 97.21 pence and (ii) that the fees payable to the Promoter are 5.5% with no discounts, the Directors and their immediate families and connected persons within the meaning of DTR 3 will immediately following the Offer have the following interests in the share capital of the Company, the existence of which is known to or could with reasonable diligence be ascertained by the Directors:

	<b>Number of Ordinary Shares before the Offer</b>	<b>% of issued Ordinary Shares before the Offer</b>
Ewen Hamilton Gilmour	40,299	0.53%
Joanna Lesley Santinon	20,000	0.26%
Andrew Everard Martin Smith	50,299	0.66%
	<b>Number of Ordinary Shares following the Offer</b>	<b>% of issued Ordinary Shares following the Offer</b>
Ewen Hamilton Gilmour	49,853	0.23%

Joanna Lesley Santinon	20,000	0.09%
Andrew Everard Martin Smith	59,853	0.27%

- 3.2 There are no service contracts in existence between the Company and any of its Directors nor are any such contracts proposed. The services of the Directors are provided to the Company pursuant to letters of appointment dated 18 October 2022, each of which is terminable upon 6 months' notice given by the Company at any time after the first anniversary of their appointment. All the Directors are non-executive directors. Save in respect of these letters of appointment, no member of any administrative, management or supervisory body has a service contract with the Company.
- 3.3 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 since incorporation, save for Andrew Everard Martin Smith who is an employee, director and shareholder of the Promoter and Manager, both a party to the agreements referred to in paragraphs 5.2 to 5.7, 5.9 and 5.10 and who is consequently interested in these agreements.

#### **4. Substantial Shareholders**

The Company is not aware of any person, not being a member of its administrative, management or supervisory bodies who, as at the date of this document, is directly or indirectly interested in 3% or more of the issued share capital of the Company and is required to notify such interest in accordance with the Disclosure Guidance and Transparency Rules or who directly or indirectly controls the Company, other than Marco Compagnoni (7.9%), Thomas Smith (5.3%), Edward Guinness (5.2%) and Sean Lindsey (3.5%).

#### **5. Material Contracts**

- 5.1 The following are (a) the only contracts, not being contracts entered into in the ordinary course of business, that have been entered into by the Company since incorporation and which are or may be material to the Company, and (b) the only contracts, not being contracts entered into in the ordinary course of business, that have been entered into by the Company since incorporation and which contain any provisions under which the Company has any obligation or entitlement which are material to the Company as at the date of this document:

##### **5.2 Offer Agreement**

An Offer Agreement dated 11 September 2024 and made between the Company (1), the Directors (2), the Manager (3), the Promoter (4) and the Sponsor (5), pursuant to which the Sponsor has agreed to act as sponsor to the Offer and the Investment Adviser has undertaken, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the Offer. Under the Offer Agreement, the Company will, subject to Shareholder approval at the General Meeting, pay the Promoter a commission of up to 5.5% for applications received direct or through an Execution-only platform, or up to 3.0% for applications received through financial advisers, in each case calculated on the applicable application amount.

The Promoter will be responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the Offer Agreement, which may be terminated by the parties in certain circumstances, the Company, the Manager, Promoter and the Directors have given certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the third annual general meeting of the Company following the closing date of the Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The Company has also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the Offer Agreement. The Offer Agreement may be terminated, inter alia, if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.

### 5.3 2023 Offer Agreement

An Offer Agreement dated 14 September 2023 and made between the Company (1), the Directors (2), Guinness (3) and the Sponsor (4), pursuant to which the Sponsor agreed to act as sponsor to the 2023 Offer and Guinness undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2023 Offer. Under the 2023 Offer Agreement the Company paid Guinness a commission of up to 5.5% for applications received direct or through Execution-only, or up to 3.0% for applications received through financial advisers, in each case calculated on the applicable Application Amount.

Guinness was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the 2023 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, Guinness and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the third annual general meeting of the Company following the closing date of the offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the 2023 Offer Agreement. The 2023 Offer Agreement could be terminated, inter alia, if any statement in the 2023 Prospectus was untrue, any material omission from the 2023 Prospectus arises or any breach of warranty occurs.

### 5.4 2022 Offer Agreement

An offer agreement dated 18 October 2022 (the "2022 Offer Agreement") and made between the Company (1), the Directors (2), Guinness (3) and the Sponsor (4), pursuant to which the Sponsor agreed to act as sponsor to the 2022 Offer and Guinness undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2022 Offer. Under the 2022 Offer Agreement, the Company paid Guinness a commission of up to 5.5% for applications received direct or through an execution-only platform, or up to 3.0% for applications received through financial advisers, in each case calculated on the applicable application amount.

Guinness was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the 2022 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, Guinness and the Directors gave 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 closing date

of the offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The warranties and indemnities were in usual form for a contract of this type and the warranties were subject to limits of one year's director fees for each Director. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the 2022 Offer Agreement. The 2022 Offer Agreement could be terminated, inter alia, if any statement in the 2022 Prospectus was untrue, any material omission from the 2022 Prospectus arises or any breach of warranty occurs.

#### 5.5 Investment Advisory Agreement

An agreement (the "**Investment Advisory Agreement**") dated 5 September 2024 and made between the Manager and the Investment Adviser whereby the Investment Adviser was appointed as investment adviser to the Manager in respect of the Company's portfolio of Qualifying Investments and Non-Qualifying Investments. The Investment Adviser will be entitled to receive from the Manager the fees referred to in 5.6 below. The appointment of the Investment Adviser continues unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company. The Agreement also terminates on the termination of the Investment Management Agreement and the novation or assignment of the same to the Investment Adviser.

#### 5.6 Investment Management Agreement

An agreement (the "Investment Management Agreement") dated 18 October 2022 (as varied by a deed of amendment dated 29 March 2023 referred to at paragraph 5.7 below) and made between the Company and the Manager whereby the Manager has been appointed as the Company's investment manager to provide discretionary investment management and advisory services to the Company in respect of its portfolio of Qualifying Investments and Non-Qualifying Investments and valuations of its portfolio interests.

The Manager receives an annual management fee equal to 2.0% of the Net Asset Value (plus VAT if applicable) payable quarterly in arrears. Guinness is entitled to reimbursement of expenses incurred in performing its duties under the agreement, and will also be entitled to receive and retain transaction and introductory fees, directors' fees, monitoring fees, consultancy fees, corporate finance fees, syndication fees, exit fees and commissions in relation to portfolio companies.

The Manager is also entitled to a performance fee payable in relation to each accounting period. This fee is set at 20% of dividends (or other return of capital) paid in a financial year in which the Total Return is above the Hurdle. For the Hurdle to be met, the Shares must achieve a Total Return (based on audited year end results) in excess of £1.00 as at 31 March 2024. For subsequent years, the Hurdle increases by 3p per annum such that as at 31 March 2025 the Hurdle will be £1.03, as at 31 March 2026 the Hurdle will be £1.06 and so on.

The appointment of the Manager in relation to the investment services commenced on 18 October 2022 and will continue unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company. The Investment Management Agreement is subject to earlier termination by either party in certain circumstances.

All securities purchased through the Manager will be registered (except for bearer stocks) in the name of the Company, to hold all or any of the Company's assets and documents of title or certificates evidencing title on behalf of the Company.

Any investment or other asset of the Company will be registered (except for bearer stocks) in the name of the Company, or, subject to the written agreement of the Company, in the name of a custodian which may be appointed from time to time by the Company on terms agreed by the Manager.

Transactions undertaken by the Manager for the Company shall correspond with the provisions of the Manager's written execution policy, and the Manager shall manage conflicts of interest, disclosing to the Board the nature of any material interest which the Manager may have in any proposed transaction to which the Company is, or is to be, a party, the Manager not causing the Company to become a party to any such contract or transaction except with the prior approval of those members of the Board who are independent of the Manager (such prior approval not to apply to the allocation of investment opportunities governed by the Investment Management Agreement).

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

The Manager may assign its rights and obligations under the Investment Management Agreement to any member of the Manager's group of companies.

#### 5.7 Directors' Letters of Appointment

Each of the Directors entered into an agreement with the Company dated 18 October 2022 whereby he or she is required to devote such time to the affairs of the Company as the Board reasonably requires consistent with their role as non-executive director. Ewen Gilmour is entitled to receive an annual fee of £30,000 (plus VAT if applicable), Joanna Santinon is entitled to receive an annual fee of £25,000 (plus VAT if applicable) and Andrew Martin Smith is entitled to receive an annual fee of £15,000 (plus VAT if applicable). Each party can terminate the agreement by giving to the other at least 6 months' notice in writing to expire at any time after the date 12 months from the respective commencement dates. No benefits are payable on termination.

#### 5.8 Administration Agreement

An agreement dated 18 October 2022 (the "Administration Agreement") and made between the Company and the Administrator, whereby the Administrator will provide certain administration services, accounting, custody and company secretarial services to the Company in respect of the period from Admission until the termination of the Administration Agreement with regard to all the investments of the Company, for an annual fee of up to £55,000 (plus an additional 0.055% on quarter-end NAV exceeding £25m), calculated on a sliding scale based on the Company's quarterly NAV (plus VAT if applicable). Under this agreement the Administrator will hold securities in certificated form on behalf of the Company for safekeeping.

The Administration Agreement will continue for a period of 2 years from 22 March 2023, and thereafter is terminable by either party giving 6 months' written notice, but subject to early termination in certain circumstances. .

#### 5.9 Deed of Amendment to the Investment Management Agreement

A deed of amendment to the Investment Management Agreement, dated 29 March 2023, made between the Company and Guinness amending the period for calculating the performance fee to reflect the Company's financial year end of 31 March each year, rather than the calendar year end of 31 December in each year.

## 5.10 Consent Letter Agreement

A letter dated 14 September 2023 whereby, inter alia, the Manager agreed to rebate its fee entitlement under the Investment Management Agreement by such amount as is equal to the excess by which the annual running costs of the Company (being the normal running costs of the Company, including directors' and other adviser's fees, the annual investment management fee, the administration fee, but excluding transaction related fees and expenses, the performance incentive fee, irrecoverable VAT and any costs relating to any share offers launched by the Company) exceeds 3.5% of its net asset value, (with the net asset value taken as at the financial year end of the Company).

## 6. Other

- 6.1 The Company was incorporated and registered in England and Wales on 7 July 2022 under the name Guinness VCT plc with registered number 14220882 as a public company limited by shares under the Companies Act 2006.
- 6.2 Save for the offer agreements described in paragraphs 5.2, 5.3 and 5.4, the fees paid to the Directors as detailed in paragraph 5.7 and the fees payable to the Manager for investment management services under the Investment Management detailed in paragraph 5.6 and the fees payable to the Investment Adviser under the Investment Advisory Agreement detailed in paragraph 5.5, there have been no other related party transactions or fees paid by the Company since its incorporation to the date of this document.
- 6.3 Save in respect of investments totalling £751,308 million in 3 VCT qualifying UK businesses between 1 April 2024 and the date of this Circular, and the allotment of 233,726 Ordinary Shares on 5 April 2024, 33,631 Ordinary Shares on 8 April 2024, 266,338 Ordinary Shares on 31 May 2024 and 263,234 Ordinary Shares on 28 June 2024, there has been no significant change in the financial position of the Company since 31 March 2024 (being the end of the last financial period of the Company for which audited financial information has been published) to the date of this document.
- 6.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 month period ending on the date of this document which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.
- 6.5 The Company does not have any material shareholders with different voting rights.
- 6.6 Howard Kennedy has given and has not withdrawn its written consent to the issue of this document, with references to its name in the form and context in which they are included and the inclusion of the statement on page 8 of this document that Howard Kennedy has advised the Directors that it considers the payment of the Initial Fee under the Offer Agreement to be fair and reasonable as far as the Shareholders as a whole are concerned.
- 6.7 The Ordinary Shares will be issued in registered form, will be transferable and will rank pari passu in all respects with each other. It is intended that allotments of Ordinary Shares under the Offer will take place at regular intervals while the Offer remains open, as the Board determines. Application will be made for such Ordinary Shares to be admitted to the CREST system and it is anticipated that holders of Ordinary Shares will be able to hold their Ordinary Shares in certificated or uncertificated form. It is expected that dealings will commence within ten Business Days of any allotment.

## 7. Documents Available for Inspection

7.1 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 conclusion of the General Meeting at the registered office of the Company and at the offices of Howard Kennedy, No 1 London Bridge, London SE1 9BG:

7.1.1 the Articles; and

7.1.2 this document.

11 September 2024

## PART IV DEFINITIONS

<b>"Appointed Representative"</b>	a person who is a party to a contract with an FCA authorised person which permits or requires them to carry on certain FCA regulated activities
<b>"Offer"</b>	the offer for subscription by the Company for Ordinary Shares in respect of the tax years 2024/25 and 2025/26 pursuant to the Prospectus dated on the same date of this document
<b>"Official List"</b>	the official list of the FCA
<b>"2023 Offer"</b>	the offer for subscription by the Company for Ordinary Shares in respect of the tax years 2023/24 and 2024/25 that was launched on 14 September 2023 pursuant to the prospectus dated the same date
<b>"2022 Offer"</b>	the offer for subscription by the Company for Ordinary Shares in respect of the tax years 2022/23 and 2023/24 that was launched on 18 October 2022 pursuant to the prospectus dated the same date
<b>"Offer Agreement"</b>	the agreement dated 11 September 2024, as described at paragraph 5.2 of this document
<b>"Administrator"</b>	the City Partnership (UK) Limited of The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH
<b>"Annual Running Costs"</b>	the normal running costs of the Company, including Directors' fees and other adviser's fees, the annual investment management fee, the administration fee but excluding transaction related fees and expenses, the performance incentive fee, irrecoverable VAT and any costs relating to any share offers launched by the Company
<b>"Articles"</b>	the articles of association of the Company, as amended from time to time
<b>"Associates"</b>	has the meaning given in the Listing Rules
<b>"Investment Manager" or "Manager"</b>	Guinness Asset Management Limited (company number 04647882) of 18 Smith Square, London, SW1P 3HZ
<b>"Board" or "Directors"</b>	the board of directors of the Company
<b>"Business Days"</b>	any day (other than a Saturday) on which the clearing banks are open for normal banking business in sterling
<b>"CA 2006"</b>	Companies Act 2006 (as amended)
<b>"Circular"</b>	this document
<b>"Company"</b>	Guinness VCT plc



<b>“Disclosure Guidance &amp; Transparency Rules”</b>	the disclosure guidance & transparency rules of the FCA
<b>“EIS”</b>	The Enterprise Investment Scheme, satisfying the requirements of Part 5 of ITA 2007
<b>“FCA”</b>	the Financial Conduct Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“General Meeting”</b>	the general meeting of the Company convened for 11 a.m. on 16 October 2024 (or any adjournment thereof)
<b>“Howard Kennedy”</b>	Howard Kennedy Corporate Services LLP
<b>"Hurdle"</b>	in each financial year, the minimum Total Return (based on audited year end results), commencing at £1.03 as at 31 March 2025 and thereafter increasing by 3p per annum such that as at 31 March 2026 the Hurdle will be £1.06, as at 31 March 2027 the Hurdle will be £1.09 and so on
<b>"Initial Fee"</b>	the initial fee payable by the Company to the Investment Adviser set out in the Offer Agreement, details of which are set out on page 7 of this document
<b>"Investment Adviser"</b>	Guinness Ventures Limited (company number 13861716 of 18 Smith Square, London, SW1P 3HZ) in its capacity as investment adviser to the Manager
<b>"Investment Advisory Services"</b>	the services provided by the Investment Adviser under the Investment Advisory Agreement
<b>“Investor”</b>	a subscriber for Ordinary Shares under the Offer
<b>“ITA 2007”</b>	Income Tax Act 2007 (as amended)
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“NAV” or “net asset value”</b>	net asset value
<b>"Non-Qualifying Investments"</b>	those investments specified in section 274 ITA
<b>“Official List”</b>	the official list of the FCA
<b>“Ordinary Shares”</b>	Ordinary Shares of £0.01 each in the capital of the Company (and each a <b>“Share”</b> )
<b>"Promoter"</b>	Guinness Ventures Limited (company number 13861716 of 18 Smith Square, London, SW1P 3HZ) in its capacity as promoter of the Offer
<b>“Prospectus”</b>	the prospectus issued by the Company dated 11 September 2024
<b>"2023 Prospectus"</b>	the prospectus issued by the Company dated 14 September 2023

<b>"2022 Prospectus"</b>	the prospectus issued by the Company dated 18 October 2022
<b>"Qualifying Investment"</b>	an investment in a company which satisfies the requirements of Chapter 4 of Part 6 ITA, as described in Part 2 of this document
<b>"Resolution"</b>	Resolution 1 as set out in this document and to be proposed at the General Meeting
<b>"Shareholder"</b>	a holder of Ordinary Shares
<b>"Total Return"</b>	the aggregate of the gross assets of the Company less its gross liabilities, together with cumulative dividends paid or declared but unpaid
<b>"UK"</b>	the United Kingdom
<b>"UK Listing Rules"</b>	the Listing Rules issued by the Financial Conduct Authority and made under Part VI of the FSMA
<b>"VCT" or "venture capital trust"</b>	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts
<b>"VCT Rules"</b>	Part 6 ITA 2007 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs

## Guinness VCT plc

(Registered in England and Wales with registered number 14220882)

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of Guinness VCT plc ("**the Company**") will be held at 11 a.m. on 16 October 2024 at 18 Smith Square, London SW1P 3HZ for the purposes of considering and, if thought fit, passing the following resolution, which will be proposed as an ordinary resolution:

#### Ordinary Resolution

1. That, the payment by the Company to Guinness Ventures Limited of the Initial Fee, such payment being pursuant to the Offer Agreement, details of which are set out on page 7 of the circular issued to the Company's shareholders dated 11 September 2024, be approved.

For the purpose of this Resolution 1, words and expressions defined in this document shall have the same meanings in this Resolution 1, save where the context requires otherwise.

Dated 11 September 2024

By order of the Board

Ewen Hamilton Gilmour  
(Chair)

Registered Office:

18 Smith Square  
London  
SW1P 3HZ

Information regarding the General Meeting, including the information required by section 311A of CA 2006, is available from: <https://www.guinnessgi.com/vct>.

#### Notes:

- a) Any member of the Company entitled to attend and vote at the General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the General Meeting in order to represent his appointor. A member entitled to attend and vote at the General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these Notes. Please read Note (i) below. Under section 319A of the CA 2006, the Company must answer any question a member asks relating to the business being dealt with at the General Meeting unless:
  - answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

- b) To be valid, a form of proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to the Company's Registrar, The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH, or submitted electronically through the Proxy Voting App, not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the General Meeting or adjourned meeting at which the person named in the form of proxy proposes to vote. In the case of a poll taken more than 48 hours (excluding weekends and public holidays) after it is demanded, the document(s) must be delivered, as aforesaid not less than 24 hours (excluding weekends and public holidays) before the time appointed for taking the poll, or where the poll is taken not more than 48 hours (excluding weekends and public holidays) after it was demanded, be delivered at the meeting at which the demand is made.
- c) In order to revoke a proxy instruction a member will need to inform the Company by sending a signed hard copy notice clearly revoking the proxy appointment to the Company's Registrar, The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH or, for members who have voted through the Proxy Voting App, by logging in to the Proxy Voting App and selecting 'delete' against the proxy instruction they wish to revoke. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by The City Partnership (UK) Limited before the General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note (d) directly below, the proxy appointment will remain valid.
- d) Completion and return of a form of proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the General Meeting in person, the proxy appointment will automatically be terminated.
- e) A copy of the Articles and this document will be available for inspection at the registered office of the Company 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 for at least 15 minutes prior to and during the meeting.
- f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's shares registered on the Register of Members of the Company as at 5 p.m. on 14 October 2024 or, in the event that the General Meeting is adjourned, on the Register of Members at close of business two days prior to any adjourned meeting, shall be entitled to attend and vote at the General Meeting in respect of such shares registered in their name at the relevant time. Changes to entries on the Register of Members after 5 p.m. on 14 October 2024 or, in the event that the General Meeting is adjourned, on the Register of Members after close of business two days prior to any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the General Meeting.
- g) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
- h) As at 10 September 2024, the Company's issued share capital comprised 7,665,702 Ordinary Shares. The total number of voting rights in the Company as at 10 September

2024 is 7,665,702. The website referred to above will include information on the number of Shares and voting rights.

- i) If you are a person who has been nominated under section 146 of the CA 2006 to enjoy information rights ("**Nominated Person**"):
- you may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("**Relevant Member**") to be appointed or to have someone else appointed as a proxy for the General Meeting;
  - if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
  - your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.
- j) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
- k) Except as provided above, members who have general queries about the General Meeting should call Guinness Ventures Limited on +44 20 7222 3475 (no other methods of communication will be accepted).
- l) Members may not use any electronic address provided either in this notice of the General Meeting, or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.