

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains proposals relating to the reconstruction and members' voluntary winding up of Smithson Investment Trust plc (the "Company") on which Shareholders are being asked to vote and in relation to which Shareholders have the right to make an Election. If you are in any doubt about the contents of this document or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are in the United Kingdom or another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom, without delay.**

If you sell or transfer, or have sold or transferred, all of your Shares in the Company, please send this document (but not the accompanying personalised Forms of Proxy, Forms of Instruction, Form of Election or CSN Form of Election (as applicable)), as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, such documents should not be forwarded in or into Australia, Canada, Japan, New Zealand, the Republic of South Africa, the United States, any EEA State or any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction. Shareholders and CSN Participants who are resident in, or citizens of, territories outside the United Kingdom should read Part 3 of this document titled "Overseas Investors".

Capitalised terms used in this document have the meanings ascribed to them in Part 8 of this document (unless the context otherwise requires).

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# SMITHSON INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 11517636 and registered as an investment company under section 833 of the Companies Act)*

## **Recommended Proposals for the reconstruction and members' voluntary winding up of the Company**

**and**

## **Notices of General Meetings**

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This document should be read in conjunction with the Fund Documents containing information on the Smithson Equity Fund (the "Fund"), an open-ended investment company with variable capital. Investors should not subscribe for any Fund Shares referred to in this document except on the basis of information provided in the Fund Prospectus and, following and subject to Central Bank of Ireland Approval, the Fund Prospectus Irish Supplement. Copies of the Fund Documents are available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal).

The Proposals described in this document are conditional on, among other things, Shareholder approval. Your attention is drawn to Part 6 of this document which summarises the risk factors associated with the Proposals. Your attention is further drawn to the letter from the Chairman of the Company set out in Part 1 of this document which contains, among other things, the recommendation of the Directors that Shareholders vote in favour of the Resolutions to be proposed at the General Meetings referred to below. Shareholders and CSN Participants should read this document in its entirety and the Fund Documents before deciding what action they should take.

Notices of: (i) a general meeting of the Company to be held at 11.00 a.m. on 10 February 2026 (the "First General Meeting"); and (ii) a general meeting of the Company to be held at 9.30 a.m. on 27 February 2026 (the "Second General Meeting" and together with the First General Meeting, the "General Meetings") are set out at the end of this document. The General Meetings will each be held at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP.

**All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if they do not hold their Shares directly, to arrange for their nominee or investor platform to vote on their behalf.**

**It is important that you complete and return the Forms of Proxy or Forms of Instruction (as applicable) accompanying this document for use in connection with the General Meetings or appoint a proxy or proxies or make a voting instruction electronically or use the CREST electronic voting service in the manner referred to in this document, and return the Form of Election or CSN Form of Election and/or submit a TTE Instruction (as applicable) as soon as possible. If you are an institutional investor, you may also be able to appoint a proxy electronically via the Proximity platform. The attention of Shareholders and CSN Participants is drawn to the section titled "Action to be taken" on pages 5 to 11 of this document.**

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

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## SUMMARY

Set out below is a summary of the key points Shareholders and CSN Participants should be aware of in connection with the Proposals. However, it is important that Shareholders and CSN Participants read this document in its entirety, together with the Fund Documents, before deciding what action they should take. Copies of the Fund Documents are available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal).

### BACKGROUND TO THE SCHEME AND WHY YOU ARE RECEIVING THIS DOCUMENT

As announced on 12 November 2025, despite the Board's efforts to reduce the discount at which the Company's Shares have traded relative to their net asset value through the Company's significant Share buyback programme<sup>1</sup>, the Shares have continued to trade at a substantial discount.

While the Board continues to have conviction in the Company's investment strategy and Fundsmith, as its investment manager, it recognises Shareholders' ongoing frustration with the discount to NAV at which the Shares continue to trade. The Board has explored solutions which would reduce or eliminate the discount to NAV at which the Company's Shares trade, whilst maintaining the current investment strategy and Fundsmith as investment manager.

After considering a number of options and consulting with some of the Company's largest Shareholders, the Board has decided that offering a rollover into a UK OEIC, which would allow investors to redeem their shares at the prevailing NAV per share and which would reflect the Company's existing investment strategy, coupled with an uncapped cash exit opportunity at NAV less costs, would offer the best outcome for Shareholders as a whole.

Accordingly, under the Proposals, which are conditional upon, among other things, the approval of Shareholders at the General Meetings, each Shareholder eligible to receive Fund Shares pursuant to the Scheme that is on the Register at the Record Date will be entitled, in respect of some or all of their Shares, to receive Fund Shares (the Rollover Option) and/or to elect for cash (the Cash Option).

This document explains the Proposals in detail and provides you with an understanding of what is requested of you in your capacity as a Shareholder or a CSN Participant (as applicable).

### SCHEME STRUCTURE

The Scheme allows eligible Shareholders to "roll" all or part of their investment in the Company into the Fund. This will be achieved by such Shareholders being issued Fund Shares in consideration for which the corresponding proportion of Company assets will be transferred from the Company to the Fund (without triggering a charge to UK capital gains tax for Shareholders). Alternatively, Shareholders will have the ability to elect instead to receive cash for all or part of their investment in the Company at a value close to NAV.

To implement the Scheme, the Company will be placed into members' voluntary liquidation, i.e. it will be wound up and, once the liquidation is complete, dissolved.

### THE FUND

Smithson Equity Fund is a newly incorporated open-ended investment company with variable capital (i.e. with redeemable shares) incorporated in England and Wales. It therefore has the same structure as Fundsmith's other funds structured as UK open-ended investment companies.

Fundsmith LLP, the Company's investment manager, will manage the Fund. Simon Barnard, the Company's lead portfolio manager, will be the lead portfolio manager of the Fund.

Shareholders and CSN Participants who receive Fund Shares in connection with the Scheme (and other investors in the Fund) will be able to purchase and redeem Fund Shares at a price calculated by reference

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<sup>1</sup> Over £993 million has been deployed since buybacks began in April 2022 (repurchasing approximately 69.7 million Shares, representing approximately 39.3 per cent. of the Company's issued share capital as at 31 March 2022).

to the NAV per Fund Share on a daily basis, subject to any adjustment which may be imposed in accordance with the Fund Prospectus<sup>2</sup>. Further key information on the Fund is set out in Part 2 of this document.

The Fund will be managed in accordance with the Company's existing investment strategy and policy, subject to minor modifications to reflect the regulatory requirements that arise from the different way the relevant rules require the Fund to be operated, and will have the Company's current investment strategy of long-term investment in small and mid-sized listed or traded companies globally to deliver long-term capital growth.

### **OVERSEAS INVESTORS AND ELECTIONS**

All Shareholders and CSN Participants<sup>3</sup> resident in the UK, Jersey, Guernsey and the Isle of Man (other than US Persons) are eligible to receive Fund Shares but some Overseas Investors are not. Overseas Investors, particularly those resident in the Republic of Ireland, should read Part 3 of this document in order to understand: (i) whether or not they are eligible to receive Fund Shares; and (ii) in either case, whether their default option will be the Rollover Option or the Cash Option.

### **GENERAL MEETINGS**

Shareholders are asked to vote at the two General Meetings to approve the Resolutions necessary to implement the Scheme.

CSN Participants are asked to instruct the Corporate Sponsored Nominee how the votes attaching to their Shares are to be cast at the two General Meetings.

Each of the Resolutions to be proposed at the General Meetings is a special resolution, requiring at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour in order to be passed. The Scheme will not become Effective unless all of the Resolutions are passed.

**The Board considers the Proposals to be in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions as the Directors who hold Shares intend to do in respect of their entire beneficial holdings of Shares.**

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<sup>2</sup> Fundsmith has the power to adjust the redemption price for redemptions that result in transaction costs which would otherwise dilute the NAV of shares not being redeemed.

<sup>3</sup> Other than Sanctions Restricted Persons.

## ACTION TO BE TAKEN BY INVESTORS

Full details of the action to be taken by Shareholders and CSN Participants are set out in paragraph 14 of Part 1 of this document and in the instructions contained in the Forms of Proxy, Forms of Instruction, Form of Election and CSN Form of Election (as applicable). Shareholders and CSN Participants should read the whole of this document and the Fund Documents (available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal)) before deciding what action to take.

Shareholders are encouraged to take action in respect of the Proposals by:

- voting on the Resolutions required to approve the Scheme and related matters at the General Meetings (**Step 1**); and
- making Elections under the Scheme for (i) the Cash Option; (ii) the Rollover Option; or (iii) a combination of both (**Step 2**).

The attention of Overseas Investors is drawn to Part 3 of this document.

If you hold Shares through the Company's Corporate Sponsored Nominee (and are therefore a "**CSN Participant**"), such Shares will be held on your behalf by (and registered in the name of) MUFG Corporate Markets Trustees (Nominees) Limited (the "**Corporate Sponsored Nominee**").

CSN Participants are encouraged to take action in respect of the Proposals by:

- instructing the Corporate Sponsored Nominee to vote on their behalf on the Resolutions required to approve the Scheme and related matters at the General Meetings (**Step 1**); and
- instructing the Corporate Sponsored Nominee to make Elections on their behalf under the Scheme for (i) the Cash Option; (ii) the Rollover Option; or (iii) a combination of both (**Step 2**).

Any CSN Participant who is eligible to hold Fund Shares (being UK CSN Participants and CSN Participants who are Qualifying Overseas Investors) and who does not return a valid CSN Form of Election or who otherwise fails to make a valid instruction in respect of the Scheme will be deemed to have instructed the Corporate Sponsored Nominee to elect on their behalf for the Rollover Option in respect of all of the Shares in which they are interested. Fund Shares will be issued to eligible CSN Participants directly and will not be held through the Corporate Sponsored Nominee.

## SHAREHOLDER HELPLINE

If you have any questions relating to the completion and return of your proxy appointments and/or the Forms of Instruction, Form of Election or CSN Form of Election, please contact the Registrar's Shareholder helpline on +44 (0) 371 664 0321. Lines are open from 9.00 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Alternatively, you can email MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com). Please note that MUFG Corporate Markets cannot provide any financial, legal or tax advice, or any advice on the merits of the Proposals and calls may be recorded and monitored for security and training purposes.

## STEP 1 – VOTING ON THE PROPOSALS

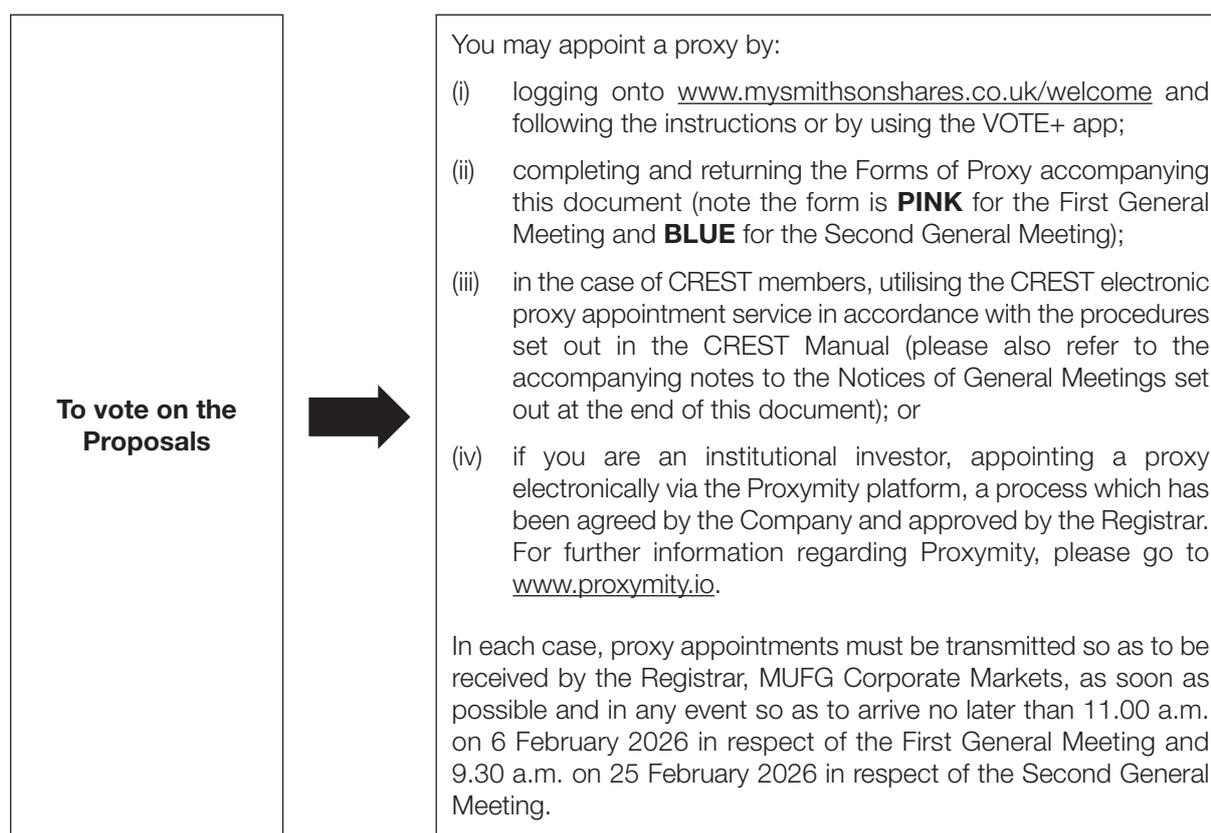
Shareholders on the Register at the relevant Voting Record Time (including such Shareholders who are Overseas Investors) will be entitled to vote at the First General Meeting and the Second General Meeting. Notices of the General Meetings are set out at the end of this document.

### IF YOU ARE AN INVESTOR HOLDING SHARES THROUGH A NOMINEE OR PLATFORM (EXCLUDING CSN PARTICIPANTS)

Investors who hold Shares indirectly through a nominee or investor platform (excluding CSN Participants) are encouraged to instruct their nominee or investor platform to vote on their behalf in good time to ensure that their votes in respect of the General Meetings are received and taken into account. Many investor platforms enable investors to submit voting instructions directly through their website. Please note that the deadlines to submit votes through a nominee or investor platform are likely to be earlier than the times and dates for receipt of proxy appointments detailed in this document.

### IF YOU HOLD SHARES DIRECTLY

Investors who hold their Shares directly should vote on the Proposals by taking one or more of the following actions (as applicable):



## IF YOU ARE A CSN PARTICIPANT

Investors who hold their Shares through the Corporate Sponsored Nominee should instruct the Corporate Sponsored Nominee to vote on the Proposals by taking the following actions:

**To vote on the  
Proposals**



You can instruct the Corporate Sponsored Nominee how to vote on your behalf by:

- (i) completing and returning the Forms of Instruction accompanying this document (note the form is **GREEN** for the First General Meeting and **PURPLE** for the Second General Meeting); or
- (ii) making an online voting instruction at [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome).

In each case, CSN Participant instructions must be transmitted so as to be received by the Registrar, MUFG Corporate Markets, as soon as possible and in any event so as to arrive no later than 11.00 a.m. on 5 February 2026 in respect of the First General Meeting and 9.30 a.m. on 24 February 2026 in respect of the Second General Meeting.

## STEP 2 – MAKING OR INSTRUCTING AN ELECTION UNDER THE SCHEME

**Shareholders who are ineligible to receive Fund Shares will be deemed to have elected for the Cash Option in respect of their entire holding of Shares. CSN Participants who are ineligible to receive Fund Shares will be deemed to have instructed the Corporate Sponsored Nominee to elect for the Cash Option on their behalf in respect of all of the Shares in which they are interested. Please refer to Part 3 of this document titled “Overseas Investors” for information on whether you are eligible to receive Fund Shares.**

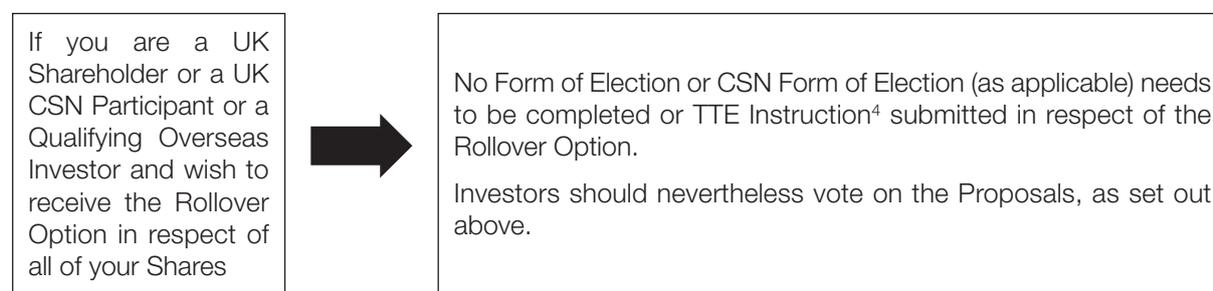
Subject to the foregoing, Shareholders who hold Shares (and CSN Participants who are interested in Shares) as at 6.00 p.m. on 10 February 2026 are entitled to make (or instruct the Corporate Sponsored Nominee to make, as applicable) an Election under the Scheme. The extent to which an investor elects for the Rollover Option and/or the Cash Option in respect of some or all of their Shares is a matter for each investor to decide and will be influenced by their own individual financial and tax circumstances and investment objectives. Investors should seek advice from their own independent financial adviser.

### **IF YOU ARE AN INVESTOR HOLDING SHARES THROUGH A NOMINEE OR PLATFORM (EXCLUDING CSN PARTICIPANTS)**

Investors who hold Shares indirectly through a nominee or investor platform (excluding CSN Participants) who wish to make an Election will need to contact their nominee or investor platform directly to instruct them accordingly. Please note that the deadlines to make Elections through a nominee or investor platform are likely to be earlier than the time and date for receipt of Forms of Election detailed in this document.

### **IF YOU HOLD SHARES DIRECTLY OR THROUGH THE CORPORATE SPONSORED NOMINEE**

The following actions are available to investors who hold their Shares directly or through the Corporate Sponsored Nominee:



<sup>4</sup> TTE Instruction refers to a transfer to escrow instruction (as described in the CREST Manual). Shareholders who hold their Shares in uncertificated form (that is, in CREST) should refer to paragraph 2.2 of Part 4 of this document for further details.

If you are a UK Shareholder or a UK CSN Participant or a Qualifying Overseas Investor and wish to elect for the Cash Option in respect of some or all of your Shares



If you hold your Shares in certificated form (that is, not in CREST) you MUST complete and return the **WHITE** Form of Election in accordance with the instructions contained therein so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 10 February 2026.

Forms of Election should be returned to the Registrar, MUFG Corporate Markets, at Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom. UK Shareholders will find enclosed a reply-paid envelope for these purposes (for use within the UK only).

**OR**

If you hold your Shares through the Company's Corporate Sponsored Nominee you MUST complete and return the **YELLOW** CSN Form of Election in accordance with the instructions contained therein so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 9 February 2026.

CSN Forms of Election should be returned to the Registrar, MUFG Corporate Markets, at Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom. UK CSN Participants will find enclosed a reply-paid envelope for these purposes (for use within the UK only).

**OR**

If you hold your Shares in uncertificated form (that is, in CREST) you MUST submit a TTE Instruction in respect of any Shares for which you wish to make an Election for the Cash Option so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 10 February 2026.

If you are an ROI Investor and wish to elect for the Rollover Option in respect of all of your Shares



If Central Bank of Ireland Approval is obtained prior to the Elections Deadline<sup>5</sup>:

No Form of Election or CSN Form of Election (as applicable) needs to be completed or TTE Instruction submitted in respect of the Rollover Option.

Investors should nevertheless vote on the Proposals, as set out above.

**OR**

If Central Bank of Ireland Approval is not obtained prior to the Elections Deadline (and ROI Investors are thereby deemed to be Non-Qualifying Overseas Investors)<sup>6</sup>:

Please refer to the section below concerning Non-Qualifying Overseas Investors.

Investors should nevertheless vote on the Proposals, as set out above.

<sup>5</sup> Please refer to Part 3 of this document for further information on the eligibility of ROI Investors to elect for the Rollover Option (or to instruct the Corporate Sponsored Nominee to elect for the Rollover Option on their behalf (as applicable)).

<sup>6</sup> As above.

If you are an ROI Investor and wish to elect for the Cash Option in respect of some or all of your Shares



If Central Bank of Ireland Approval is obtained prior to the Elections Deadline<sup>7</sup>:

If you hold your Shares in certificated form (that is, not in CREST) you **MUST** complete and return the **WHITE** Form of Election in accordance with the instructions contained therein so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 10 February 2026.

Forms of Election should be returned to the Registrar, MUFG Corporate Markets, Corporate Actions at Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom.

**OR**

If you hold your Shares through the Company's Corporate Sponsored Nominee you **MUST** complete and return the **YELLOW** CSN Form of Election in accordance with the instructions contained therein so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 9 February 2026.

CSN Forms of Election should be returned to the Registrar, MUFG Corporate Markets, Corporate Actions at Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom.

**OR**

If you hold your Shares in uncertificated form (that is, in CREST) you **MUST** submit a TTE Instruction in respect of any Shares for which you wish to make an Election for the Cash Option so as to be received as soon as possible and in any event by not later than 1.00 p.m. on 10 February 2026.

If Central Bank of Ireland Approval is not obtained prior to the Elections Deadline (and ROI Investors are thereby deemed to be Non-Qualifying Overseas Investors)<sup>8</sup>:

Please refer to the section below concerning Non-Qualifying Overseas Investors.

If you are a Non-Qualifying Overseas Investor and wish to elect for the Rollover Option and/or the Cash Option in respect of some of your Shares



Please refer to Part 3 of this document for further information on the circumstances in which a Non-Qualifying Overseas Investor will be permitted to elect for the Rollover Option (or to instruct the Corporate Sponsored Nominee to elect for the Rollover Option on their behalf (as applicable)). Investors should nevertheless vote on the Proposals, as set out above.

<sup>7</sup> Please refer to Part 3 of this document for further information on the eligibility of ROI Investors to elect for the Rollover Option (or to instruct the Corporate Sponsored Nominee to elect for the Rollover Option on their behalf (as applicable)).

<sup>8</sup> As above.

If you are a Non-Qualifying Overseas Investor and wish to elect for the Cash Option in respect of all of your Shares



No Form of Election or CSN Form of Election (as applicable) needs to be completed or TTE Instruction submitted by a Non-Qualifying Overseas Investor in respect of the Cash Option.

Investors should nevertheless vote on the Proposals, as set out above.

## EXPECTED TIMETABLE

**2026**

Publication of this document	22 January
Ex-dividend date for the SSON Interim Dividend	22 January
Latest time and date for receipt of online voting instructions and GREEN Forms of Instruction from CSN Participants in respect of the First General Meeting	11.00 a.m. on 5 February
Latest time and date for receipt of electronic proxy appointments, CREST voting instructions and PINK Forms of Proxy from Shareholders in respect of the First General Meeting	11.00 a.m. on 6 February
Latest time and date for receipt of YELLOW CSN Forms of Election	1.00 p.m. on 9 February
<b>First General Meeting</b>	<b>11.00 a.m. on 10 February</b>
Latest time and date for receipt of WHITE Forms of Election and TTE Instructions	1.00 p.m. on 10 February
Calculation Date for the Scheme	6.00 p.m. on 10 February
Record Date for entitlements under the Scheme	6.00 p.m. on 10 February
Shares disabled in CREST	6.00 p.m. on 10 February
Suspension of trading in Shares	7.30 a.m. on 11 February
Payment date for the SSON Interim Dividend	20 February
Latest time and date for receipt of online voting instructions and PURPLE Forms of Instruction from CSN Participants in respect of the Second General Meeting	9.30 a.m. on 24 February
Reclassification of the Shares and commencement of trading in Reclassified Shares	8.00 a.m. on 25 February
Latest time and date for receipt of electronic proxy appointments, CREST voting instructions and BLUE Forms of Proxy from Shareholders in respect of the Second General Meeting	9.30 a.m. on 25 February
Suspension of trading in Reclassified Shares and the Register closes	7.30 a.m. on 27 February
<b>Second General Meeting</b>	<b>9.30 a.m. on 27 February</b>
Appointment of the Liquidators	27 February
<b>Effective Date and Transfer Agreement executed and implemented</b>	<b>27 February</b>
Announcement of Elections under the Scheme, the Cash FAV per Share, the Final Rollover FAV and the number of Fund Shares to be issued pursuant to the Scheme	27 February
Fund Shares issued pursuant to the Scheme	27 February
First day of dealing in Fund Shares	2 March

Contract notes expected to be despatched in respect of Fund Shares issued pursuant to the Scheme	as soon as practicable after the Effective Date
Electronic payments or cheques expected to be despatched and CREST payments made to Shareholders and CSN Participants in respect of the Cash Option	not later than 10 Business Days after the Effective Date
Cancellation of listing of Reclassified Shares	as soon as practicable after the Effective Date

**Note:** All references to time in this document are to UK time. Each of the times and dates in the above expected transaction timetable may be extended or brought forward. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders and CSN Participants by an announcement through a Regulatory Information Service.

## PART 1

### LETTER FROM THE CHAIRMAN

#### SMITHSON INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 11517636 and registered as an investment company under section 833 of the Companies Act)*

*Directors*

Mike Balfour (*Chairman*)  
Jeremy Attard-Manche  
Denise Hadgill  
Sarika Patel

*Registered Office*

4th Floor 140 Aldersgate Street  
London EC1A 4HY

22 January 2026

**Recommended Proposals for the reconstruction and  
members' voluntary winding up of the Company  
and  
Notices of General Meetings**

Dear Shareholders and CSN Participants

#### **1. INTRODUCTION**

On 12 November 2025 the Board of Smithson Investment Trust plc (the "**Company**") announced that it would put forward proposals for a scheme of reconstruction and members' voluntary winding up of the Company under section 110 of the Insolvency Act (the "**Scheme**") pursuant to which Shareholders would have the option to roll over their investment in the Company (in whole or in part) into Smithson Equity Fund (the "**Fund**"), a UK OEIC established in conjunction with the Scheme that would be managed by Fundsmith LLP, or elect to receive cash (the "**Proposals**").

Accordingly, under the Proposals, which are conditional upon, among other things, the approval of Shareholders at the General Meetings, each Shareholder eligible to receive Fund Shares pursuant to the Scheme who is on the Register on the Record Date will be entitled, in respect of some or all of their Shares, to:

- receive class S accumulation shares in the Fund ("**Fund Shares**") (the "**Rollover Option**"); and/or
- elect for cash (the "**Cash Option**").

The purpose of this document is to explain the Proposals in detail and the actions required to be taken in order for them to be implemented (including the actions required to make Elections under the Scheme) and to convene the General Meetings, Notices of which are set out at the end of this document. Further details of the Resolutions to be proposed at the General Meetings are set out below. The expected timetable associated with the Proposals is set out on pages 12 and 13 of this document.

**The Board considers the Proposals to be in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions required to implement the Proposals at the General Meetings, as the Directors who hold shares intend to do in respect of their own beneficial holdings, which, in aggregate, amount to 12,078 Shares (representing approximately 0.01 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at the Latest Practicable Date).**

In addition, certain Managing Partners of Fundsmith, including Mr Terry Smith, the CEO and CIO of Fundsmith, have delivered non-binding letters of intent to vote (or procure the voting) of such Shares in the Company that are held directly or beneficially by them, or over which they exercise voting control, in favour of the Resolutions to be proposed at the General Meetings. As at the Latest Practicable Date, those Managing Partners of Fundsmith held directly or beneficially, or exercised voting control over, in aggregate, 2,524,248 Shares, representing approximately 2.3 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at that date. Each of those Managing Partners of Fundsmith have advised that they intend to elect for the Rollover Option in respect of their entire holding of Shares.

Saba has also undertaken to use best endeavours, in respect of such Shares in the Company as are beneficially held by the Saba Investment Vehicles as at the Voting Record Time in respect of each General Meeting, to vote (or procure the voting) in favour of the Resolutions to be proposed at the General Meetings. As at the Latest Practicable Date, so far as the Company is aware Saba's clients had an economic interest in 17,350,253 Shares, representing approximately 16.15 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at that date.<sup>9</sup>

## 2. BACKGROUND TO AND REASONS FOR THE PROPOSALS

As announced on 12 November 2025, the Board is, and continues to be, acutely aware of the persistent discount to NAV at which the Company's Shares have traded since early 2022. During this time, demand for the Shares has been impacted by a number of factors, including relative underperformance in part due to the Investment Manager's style being out of favour. The Company has delivered, as at the Latest Practicable Date, a NAV per Share total return of +57.0 per cent. since inception and -20.0 per cent. since the start of 2022 compared to +87.6 per cent. and +27.0 per cent. for the MSCI World SMID Index £ Net over the same periods.

Despite the Board's efforts to reduce the discount through its significant share buyback programme, with over £993 million deployed since buybacks began in April 2022 (repurchasing approximately 69.7 million Shares, representing approximately 39.3 per cent. of the Company's issued share capital as at 31 March 2022), the Shares have continued to trade at a substantial discount to NAV.

While the Board continues to have conviction in the Company's investment strategy and Fundsmith, as the Company's investment manager, it recognises Shareholders' ongoing frustration with the discount to NAV at which the Shares continue to trade. The Board has therefore explored solutions which would reduce or eliminate the discount to NAV at which the Company's Shares trade, whilst maintaining the current investment strategy and Fundsmith as the Company's investment manager.

After considering a number of options and consulting with some of the Company's largest Shareholders, the Board decided that offering a rollover into a UK OEIC, which would allow investors to redeem their shares at the prevailing net asset value per share and which would reflect the Company's existing investment strategy, coupled with an uncapped cash exit opportunity at NAV less costs, would offer the best outcome for Shareholders as a whole. As the investment strategy does not employ certain key attributes of the closed-end structure, such as gearing and investments in private assets, and given that the underlying portfolio is liquid (the median market capitalisation of the holdings in the Company's portfolio is c. £6.18 billion), the Board believes that rolling into a UK OEIC is unlikely to have a detrimental impact on the delivery of the investment strategy, whilst having the benefit of removing the discount to NAV at which Shareholders can realise their investment.

## 3. BENEFITS OF THE PROPOSALS

The Board believes that the Proposals have the following benefits for Shareholders:

- **Continuity of investment manager and strategy:** The Fund will be managed by Fundsmith, with Simon Barnard as lead portfolio manager, continuing the Company's current investment strategy of long-term investing in small and mid-sized listed or traded companies globally to deliver long term capital growth.

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<sup>9</sup> The Shares that Saba has an economic interest in may be held through derivative instruments that do not give the holder the ability to exercise the voting rights attaching to such Shares. Accordingly, the number of Shares that are voted in favour of the Resolutions to be proposed at the General Meetings by Saba, or which Saba procures are voted in favour, is likely to be less than the number of Shares in which Saba has an economic interest.

- **No NAV dilution for rolling Shareholders:** Shareholders who roll their investment in the Company into the Fund should not suffer any NAV dilution as a result of the Proposals.<sup>10</sup>
- **Full cash exit available:** Shareholders will have the option to realise some or all of their holding in the Company for cash. Shareholders who elect, or are deemed to have elected, for the Cash Option will receive the Cash FAV per Share for each Share so elected, or deemed to have been so elected. No discount will be applied to this cash exit, although the value of the Company Transaction Costs will be applied against the Cash FAV and assets held within the Cash Pool will be subject to market movement until realised for distribution.
- **Ability to trade at NAV:** Shareholders in the Fund will be able to purchase and redeem Fund Shares at a price calculated by reference to the NAV per Fund Share on a daily basis, subject to any adjustment which may be imposed in accordance with the Fund Prospectus. The open-ended unlisted structure of the Fund will eliminate the persistent discount to NAV at which Shareholders in the Company have had to sell their Shares in the market since March 2022.
- **Ability to stay invested in a tax efficient manner:** UK Shareholders who roll over their investment in the Company into the Fund may do so without triggering a charge to UK capital gains tax. See paragraph 6 of Part 4 of this document for further information regarding taxation.
- **Cost contribution by Fundsmith:** Fundsmith is making a significant cost contribution in connection with the Proposals which will benefit all Shareholders and should ensure that there is no NAV dilution for Shareholders rolling over into the Fund (as set out above).

#### 4. SUMMARY INFORMATION ON THE FUND

Under the terms of the Scheme, Shareholders are being offered the opportunity to roll over their investment in the Company into the Fund.

The Fund is a newly incorporated open-ended investment company with variable capital (i.e. with redeemable shares), incorporated in England and Wales under the OEIC Regulations which it is intended will launch, solely for the purpose of the Scheme, on 2 March 2026. "Launch" in this context means that the assets to be transferred to the Fund in connection with the Scheme will be the only assets of the Fund as at the Effective Date.

The Fund will be managed by Fundsmith. Simon Barnard, the Company's portfolio manager, will be the lead portfolio manager of the Fund. The Fund will be managed in accordance with the Company's existing investment strategy and policy, subject to minor modifications to reflect the regulatory requirements that arise from the different way the relevant rules require the Fund to be operated.

Further information on the Fund is set out in Part 2 of this document and in the Fund Documents. Shareholders should also refer to the risk factors set out in Part 6 of this document and should not make any decision to invest in the Fund except on the basis of information provided in the Fund Documents. Please note that the Board takes no responsibility for the contents of the Fund Documents.

#### 5. DETAILS OF THE PROPOSALS

##### 5.1 Options for Shareholders and CSN Participants and the default options

Shareholders are being offered the Rollover Option into the Fund and/or the Cash Option. There is no limit on the amount of Shares which may be elected for the Cash Option and Shareholders can make different Elections in respect of different parts of their holding.

The choice between the options available will be a matter for each Shareholder to decide upon and will be influenced by the investment objectives and personal, financial and tax circumstances of each Shareholder. Accordingly, before making any Election, Shareholders should read carefully all the information in this document and in the Fund Documents (available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal)).

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<sup>10</sup> Assuming that the Company's NAV per Share has deducted from it any amounts required to satisfy any contingent or unascertained liabilities of the Company (which would have become payable regardless of whether the Proposals are implemented) and which the Liquidators' Retention is expected to satisfy in the context of the Scheme.

**The Rollover Option is the default option for UK Shareholders and Qualifying Overseas Investors under the Scheme. Such Shareholders who, in respect of all or part of their holding of Shares, do not make a valid Election under the Scheme will therefore be deemed to have elected for Fund Shares in respect of such holding.**

Overseas Investors should refer to Part 3 of this document titled “*Overseas Investors*” for information on their eligibility to receive Fund Shares and whether their default option will be the Rollover Option or the Cash Option.

CSN Participants can instruct the Corporate Sponsored Nominee to make Elections on their behalf under the Scheme for the Rollover Option and/or the Cash Option.

CSN Participants who are eligible to hold Fund Shares (being UK CSN Participants and CSN Participants who are Qualifying Overseas Investors) and who do not return a valid CSN Form of Election or who otherwise fail to make a valid instruction in respect of the Scheme will be deemed to have instructed the Corporate Sponsored Nominee to elect on their behalf for the Rollover Option in respect of all of the Shares in which they are interested. Fund Shares will be issued to eligible CSN Participants directly and will not be held through the Corporate Sponsored Nominee.

CSN Participants who are Overseas Investors should refer to Part 3 of this document titled “*Overseas Investors*” for information on their eligibility to receive Fund Shares.

Shareholders and CSN Participants should note that the redemption of Fund Shares following completion of the Scheme will be subject to certain restrictions set out in the Fund Prospectus. In addition, whilst an instruction to Fundsmith to redeem Fund Shares is irrevocable, the redemption amount may not be paid by Fundsmith if insufficient documentation in connection with Fundsmith’s anti-money laundering, anti-proliferation financing or anti-terrorist financing procedures has been received by Fundsmith.

Fundsmith will be required to identify and verify the identity of a holder of Fund Shares. Fundsmith may also be required to identify and, where appropriate, verify the beneficial owner of the Fund Shares. In any case, Fundsmith may be required to obtain information on the source of wealth and funds for the investment. To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate or family member of a politically exposed person, or where otherwise required to satisfy its regulatory obligations, Fundsmith may request additional information.

## 5.2 Scheme mechanics

In order to implement the Scheme, the Company’s assets and undertaking will be allocated to three separate and distinct pools, as follows, on the Calculation Date (being 6.00 p.m. on 10 February 2026):

- the Board, in consultation with the Liquidators, will first allocate to the Liquidation Pool such of the cash and other assets of the Company as are estimated to be sufficient to meet all outstanding current and future liabilities of the Company. This will include, but is not limited to, provisions for the outstanding costs of the Scheme to be borne by the Company, any declared but unpaid dividends of the Company, the estimated entitlements of any Dissenting Shareholders and a provision, estimated to be £100,000, to be retained by the Liquidators to meet any contingent or unknown liabilities of the Company following its entry into liquidation (the “**Liquidators’ Retention**”); and
- the balance of the Company’s assets and undertaking, the “**Residual NAV**”, will be allocated first to the Cash Pool (taking into account Company Transaction Costs) and then to the Rollover Pool (which will represent the entitlements of Shareholders who have elected, or are deemed to have elected, for the Cash Option and the Rollover Option respectively).

Subject to the passing of the Resolutions at the First General Meeting (and such Resolutions becoming unconditional):

- the Shares in respect of which Shareholders are deemed to have made valid Elections for the Rollover Option will be reclassified as Shares with “A” rights (being rights to receive such number

of Fund Shares as is calculated in accordance with the terms of the Scheme set out in Part 5 of this document); and

- the Shares in respect of which Shareholders have made, or are deemed to have made, valid Elections for the Cash Option will be reclassified as Shares with “B” rights (being rights to receive the net realisation proceeds of such portion of the Cash Pool to which they are entitled in accordance with the terms of the Scheme set out in Part 5 of this document).

Subject to the passing of the Resolutions (and satisfaction of the other conditions of the Scheme set out in paragraph 14 of Part 5), the Company will be placed into members’ voluntary liquidation and the Scheme will take effect from the Effective Date. If the Scheme becomes effective:

- within 10 Business Days after the Effective Date the Liquidators will make a cash distribution of the net realisation proceeds of the Cash Pool to Shareholders who have elected, or are deemed to have elected, for the Cash Option in accordance with their respective entitlements under the Scheme (being the holders of Shares with “B” rights);
- the Liquidators (in their personal capacity and on behalf of the Company) will enter into the Transfer Agreement with the Fund (acting through Fundsmith as the Fund’s ACD). Pursuant to the Transfer Agreement, the cash, assets and undertaking comprising the Rollover Pool will be transferred to the Fund and, in return, the relevant number of Fund Shares will be issued to the Liquidators who will renounce the Fund Shares in favour of: (i) Shareholders who are deemed to have elected for the Rollover Option (being the holders of Shares with “A” rights); or (b) CSN Participants who are deemed to have instructed the Corporate Sponsored Nominee to elect on their behalf for the Rollover Option in respect of all of the Shares in which they are interested; and
- the Liquidation Pool will be applied by the Liquidators in discharging all current and future liabilities of the Company and, if there is any balance remaining after discharging such liabilities, the Liquidators will in due course pay the same to Shareholders on the Register on the Effective Date *pro rata* to their respective holdings of Shares, provided that, if any such amount payable to any Shareholder is less than £5.00, it will not be paid to such Shareholder and will instead be aggregated and paid by the Liquidators to the Nominated Charity. The Liquidators will also be entitled to make interim payments to Shareholders in proportion to their holdings of Shares. Shareholders should therefore keep the Liquidators advised of any changes to their details after the Effective Date. For these purposes, any Shares held by Dissenting Shareholders will be ignored.

## 6. DIVIDENDS

In order to ensure that the Company meets the distribution requirements to maintain investment trust status in respect of the 18-month period to 30 June 2026, the Board has declared an interim dividend of 2.1 pence per Share which will be paid to Shareholders on 20 February 2026 (the “**SSON Interim Dividend**”). The SSON Interim Dividend will be paid to Shareholders who are on the Register as at close of business on 23 January 2026. The ex-dividend date for the SSON Interim Dividend is 22 January 2026. It is not expected that any further interim dividends will be paid by the Company in advance of the Effective Date.

## 7. MANAGEMENT OF THE COMPANY’S PORTFOLIO PRIOR TO THE IMPLEMENTATION OF THE PROPOSALS

Subject to the passing of the Resolutions to be proposed at the First General Meeting, the Board intends to instruct the Company’s Investment Manager to realise assets within the Company’s investment portfolio such that, by the Effective Date, the Company has sufficient cash to meet the amounts expected to be due under the Cash Option. The Fund will adopt the same investment strategy and policy as the Company, subject to minor modifications to reflect the regulatory requirements applicable to a UK UCITS Scheme, and the entirety of the Company’s portfolio will be eligible for transfer to the Fund. It is not, therefore, expected that a significant portfolio realignment exercise will be required in advance of the Effective Date.

## 8. MANAGEMENT TERMINATION FEE WAIVER

Subject to agreement otherwise between the Company (acting by the Liquidators) and Fundsmith in connection with the realisation of any assets not already realised as at the Effective Date, the realisation of which is necessary to meet the amounts due under the Cash Option, the Investment Management

Agreement between the Company and Fundsmith will terminate upon the Scheme becoming effective. Fundsmith has undertaken to waive, in full, the period of notice to which it is contractually entitled under the Investment Management Agreement and has agreed that no compensation will be payable in respect of such waiver or termination.

## 9. COMPANY NAME CHANGE

The Company expects to change its name to “SNINVC plc” as soon as possible following the Company’s entry into liquidation in connection with the Scheme.

## 10. ENTITLEMENTS UNDER THE SCHEME

### 10.1 Entitlements under the Cash Option

The value of the Cash Pool upon its creation will be equal to the Cash FAV.

Pursuant to the Scheme, a Shareholder who elects, or is deemed to have elected, for the Cash Option will receive (as a holder of Shares with “B” rights) their *pro rata* share of the net realisation proceeds of the Cash Pool (the “**Cash Entitlement**”).

**As the value of Shareholders’ entitlements under the Cash Option will, in large part, be based on the net realisation proceeds of the Cash Pool, such entitlements may be affected by movements in the value of the assets contained in the Cash Pool between the Calculation Date and completion of the realisation process and will also be net of the costs and expenses incurred in effecting this realisation process and the Company Transaction Costs.**

### 10.2 Entitlements under the Rollover Option

The Rollover Pool will comprise the remaining cash, undertaking and other assets of the Company after deduction of the value of the Cash Pool and the value of the Liquidation Pool, with a value at the Calculation Date equal to the Illustrative Rollover FAV.

Pursuant to the Scheme, a Shareholder who is deemed to have elected for the Rollover Option will receive (as a holder of Shares with “A” rights) such number of Fund Shares as is produced by dividing the proportion of the value of the Final Rollover FAV to which they are entitled by the Fund Share Subscription Price (being £1.00 per Fund Share). The minimum subscription amount set out in the Fund Prospectus will be waived in respect of Shareholders who are deemed to have elected for the Rollover Option. Fractional entitlements will be dealt with by the issue of smaller denomination shares each equivalent to one thousandth of a Fund Share, in accordance with the terms of the Fund Prospectus.

**As the appropriation of the Company’s assets to the Rollover Pool will occur on the Calculation Date, the value of Shareholders’ entitlements under the Rollover Option may be affected by movements in the value of the assets contained in the Rollover Pool between the Calculation Date and the Effective Date.**

### 10.3 Illustrative entitlements

**For illustrative purposes only**, had the Effective Date been market close on 20 January 2026 (being the Latest Practicable Date), after: (i) deduction of the SSON Interim Dividend of 2.1 pence per Share (which was not reflected in the Company’s NAV as at the Latest Practicable Date); and (ii) the allocation of cash to the Liquidation Pool to meet the Liquidators’ Retention, and assuming that: (i) there are no Dissenting Shareholders; (ii) 50 per cent. of the Company’s current issued Share capital (excluding Shares held in treasury) is elected for the Cash Option; and (iii) there is no change in the value of the assets of the Company between the Calculation Date and the Effective Date, on the Effective Date:

- the Cash FAV per Share would have been 1,564.379362 pence\*; and
- the Final Rollover FAV per Share would have been 1,566.886913 pence.

The Company's NAV per Share as at the Latest Practicable Date, adjusted to reflect the value of: (i) the deduction of the SSON Interim Dividend of 2.1 pence per Share (which was not reflected in the Company's NAV as at the Latest Practicable Date); and (ii) an amount equal to the Liquidators' Retention (being the amount the Liquidators estimate to be sufficient to meet any unknown or unascertained liabilities of the Company) was 1,566.886913 pence.

Based on the assumptions and illustrative figures shown above: (i) the value of the Final Rollover FAV per share would represent 100.0 per cent. of the Company's NAV per Share (as adjusted) as at the Latest Practicable Date, meaning Shareholders who were deemed to have elected for the Rollover Option would not suffer any NAV per Share dilution as a result of the Scheme; and (ii) the value of the Cash FAV per Share would represent 99.8 per cent. of the Company's NAV per Share (as adjusted) as at the Latest Practicable Date.

**\*Note that the Cash FAV per Share does not represent the value of Shareholders' entitlements under the Cash Option, which will be based on the net realisation proceeds of the Cash Pool.**

The above figures are for illustrative purposes only and do not represent forecasts. The Cash FAV per Share, Final Rollover FAV per Share and Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, among other things, changes in the value of investments.

## **11. COSTS OF THE PROPOSALS**

The Company Transaction Costs will be borne by Shareholders who have elected, or are deemed to have elected, for the Cash Option. This will be reflected in the value of the Cash FAV. In addition, those Shareholders will also bear any costs of realising the Cash Pool.

The Company Transaction Costs in connection with the implementation of the Proposals are expected to be approximately £1,350,000 (including VAT, where applicable). These costs have not been accrued in the Company's Net Asset Value as at the Latest Practicable Date but will be accrued in the Cash FAV.

The Company will be responsible for paying the Company Transaction Costs in connection with the Proposals. The Fund's costs and the UK legal fees of the Company in relation to the Proposals will be borne in full by Fundsmith.

Any liability for transfer taxes, including stamp duty, in respect of the transfer of assets to the Fund will be borne by Fundsmith. Such transfer taxes and any reinvestment costs will not form part of the transaction expenses for the purposes of the Scheme calculations.

In the event that the implementation of the Scheme does not proceed, the Company will bear its own costs incurred in connection with the Proposals and Fundsmith will bear the costs attributable to the Fund.

## **12. CONDITIONS OF THE SCHEME**

Implementation of the Proposals is subject to a number of conditions, including:

- the passing of the Resolutions to be proposed at the General Meetings, or any adjournment of those meetings, and any conditions to such Resolutions being fulfilled;
- the FCA agreeing to amend the listing of the Shares to reflect their reclassification as Reclassified Shares for the purposes of implementing the Scheme; and
- the Directors and Fundsmith (on behalf of the Fund) resolving to proceed with the Scheme.

**If any condition is not satisfied, the Proposals will not become effective, the Company will not proceed with the members' voluntary winding up and instead the Company will continue in existence managed, in accordance with its current investment policy. In such circumstances, the Directors will reassess the options available to the Company at that time.**

### 13. GENERAL MEETINGS

As noted above, the Proposals are conditional upon, among other things, the approval of Shareholders at the General Meetings.

The General Meetings will each be held at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP.

The Notices convening the General Meetings are set out at the end of this document.

#### 13.1 First General Meeting

The First General Meeting will be held at 11.00 a.m. on 10 February 2026.

The Resolutions (which will be proposed as special resolutions) to be considered at the First General Meeting will, if passed:

- approve the terms of the Scheme set out in Part 5 of this document and amend the Articles of Association to give effect to the Scheme; and
- authorise the Liquidators to enter into and give effect to the Transfer Agreement with the Fund (acting by Fundsmith as the Fund's ACD), to distribute Fund Shares to Shareholders (and CSN Participants) in accordance with the Scheme, to purchase the interests of any Dissenting Shareholders, and to apply to cancel the listing of the Shares on the closed ended investment funds category of the Official List with effect from such date as the Liquidators may determine.

Each Resolution will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour to be passed. The Scheme will not become effective unless and until, among other things, the Resolution to be proposed at the Second General Meeting (as set out in further detail below) has also been passed.

#### 13.2 Second General Meeting

The Second General Meeting will be held at 9.30 a.m. on 27 February 2026.

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into members' voluntary liquidation, appoint the Liquidators and agree the basis of their remuneration, instruct the Company Secretary to hold the books to the Liquidators' order, and provide the Liquidators with appropriate powers to carry into effect the amendments to the Articles of Association made at the First General Meeting.

The Resolution to be proposed at the Second General Meeting is conditional upon, among other things, the passing of the Resolutions at the First General Meeting, and the Directors and Fundsmith (on behalf of the Fund) resolving to proceed with the Scheme.

The Resolution will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour to be passed.

### 14. ACTION TO BE TAKEN

**Before taking any action in connection with the Proposals, Shareholders and CSN Participants are recommended to read the whole of this document and the Fund Documents, which are available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal). In addition, ROI Investors should read the Fund Prospectus Irish Supplement, which will also be available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal) following and subject to Central Bank of Ireland Approval.**

#### 14.1 Voting

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Shares are not held directly, to arrange for their nominee or investor platform to vote on their behalf.

Shareholders who hold Shares directly are requested to complete and return proxy appointments to the Registrar by one of the following means:

- by logging on to [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) and following the instructions or by using the VOTE+ app;
- by completing and signing the Forms of Proxy for use in relation to the General Meetings in accordance with the instructions printed thereon and returning them by post, by courier or (during normal business hours only) by hand;
- if you are an institutional investor, by appointing a proxy electronically via the Proximity platform; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notices of the General Meetings set out at the end of this document).

In each case, proxy appointments must be transmitted so as to be received by the Registrar, MUFG Corporate Markets, as soon as possible and in any event so as to arrive not later than 11.00 a.m. on 6 February 2026 in respect of the First General Meeting and 9.30 a.m. on 25 February 2026 in respect of the Second General Meeting.

Appointment of a proxy will not prevent Shareholders from attending and voting in person at the General Meetings should they wish to do so.

Investors who hold Shares through a platform, such as Interactive Investor, Hargreaves Lansdown or AJ Bell, or nominee (excluding CSN Participants) and who wish to appoint a proxy will need to contact the platform or nominee to instruct them accordingly.

If you are a CSN Participant, you are requested to instruct the Corporate Sponsored Nominee how the votes attaching to your underlying Shares are to be cast at the General Meetings by submitting an instruction, either electronically via [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) or by returning the hard copy Forms of Instruction, in each case so as to be received by the Registrar, MUFG Corporate Markets, as soon as possible and in any event so as to arrive no later than 11.00 a.m. on 5 February 2026 in respect of the First General Meeting and 9.30 a.m. on 24 February 2026 in respect of the Second General Meeting.

## 14.2 Elections

**Overseas Investors should refer to Part 3 of this document titled “Overseas Investors” for information on their eligibility to receive Fund Shares and whether their default option will be the Rollover Option or the Cash Option.**

Shareholders (and CSN Participants) who are eligible to receive Fund Shares and who wish to receive cash in respect of all or part of their holding of Shares pursuant to the Cash Option should read carefully the further instructions set out in the section headed “Elections” in paragraph 2 of Part 4 of this document and must, in respect of the number of Shares for which they wish to receive cash, either:

- complete and return the personalised WHITE Form of Election (for Shares held in certificated form); or
- if they are a CSN Participant, complete and return the personalised YELLOW CSN Form of Election; or
- submit a TTE Instruction (for Shares held in uncertificated form (that is, in CREST)).

Shareholders and CSN Participants who are eligible to receive Fund Shares and who wish to receive Fund Shares in respect of all of their Shares pursuant to the Rollover Option do not need to return a Form of Election or CSN Form of Election (as applicable) or submit a TTE Instruction.

Shareholders who are not eligible to receive Fund Shares will be deemed to have elected for the Cash Option in respect of their entire holding of Shares.

CSN Participants who are not eligible to receive Fund Shares will be deemed to have instructed the Corporate Sponsored Nominee to elect for the Cash Option on their behalf in respect of all the Shares in which they are interested.

Investors (excluding CSN Participants) who hold Shares through a platform or nominee and who wish to make an Election will need to contact the platform or nominee to instruct them accordingly.

CSN Participants who wish to instruct the Corporate Sponsored Nominee to make an Election for the Cash Option must complete the YELLOW CSN Form of Election in accordance with the instructions contained therein and submit it, along with any required authorisations, so as to be received by MUFG Corporate Markets, the Company's Registrar, at Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL by 1.00 p.m. on 9 February 2026 in order to be valid.

Any CSN Participant who is eligible to hold Fund Shares and who does not return a valid CSN Form of Election or who otherwise fails to make a valid instruction in respect of the Scheme will be deemed to have instructed the Corporate Sponsored Nominee to elect on their behalf for the Rollover Option in respect of all of the Shares in which they are interested. Fund Shares will be issued to eligible CSN Participants directly and will not be held through the Corporate Sponsored Nominee.

## 15. TAXATION

**Shareholders who are in any doubt as to their tax position, or who may be subject to tax in any jurisdiction other than the UK, are strongly advised to consult their own professional advisers without delay.**

**Shareholders are advised to read carefully the paragraph headed "Taxation" in paragraph 6 of Part 4 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice. That paragraph does not constitute tax advice and Shareholders are strongly advised to consult an independent professional adviser in relation to the tax consequences of the Proposals for them.**

## 16. SHAREHOLDER SUPPORT FOR THE PROPOSALS

In addition, certain Managing Partners of Fundsmith, including Mr Terry Smith, the CEO and CIO of Fundsmith, have delivered non-binding letters of intent to vote (or procure the voting) of such Shares in the Company that are held directly or beneficially by them, or over which they exercise voting control, in favour of the Resolutions to be proposed at the General Meetings. As at the Latest Practicable Date, those Managing Partners of Fundsmith held directly or beneficially, or exercised voting control over, in aggregate, 2,524,248 Shares, representing approximately 2.3 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at that date. Each of those Managing Partners of Fundsmith have advised that they intend to elect for the Rollover Option in respect of their entire holding of Shares.

Saba has also undertaken to use best endeavours, in respect of such Shares in the Company as are beneficially held by the Saba Investment Vehicles as at the Voting Record Time in respect of each General Meeting, to vote (or procure the voting) in favour of the Resolutions to be proposed at the General Meetings. As at the Latest Practicable Date, so far as the Company is aware Saba's clients had an economic interest in 17,350,253 Shares, representing approximately 16.15 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at that date.<sup>11</sup>

## 17. RECOMMENDATION

The Board, which has received financial advice from J.P. Morgan Cazenove, considers the Proposals and the Resolutions to be proposed at the General Meetings to be in the best interests of Shareholders as a whole. In providing its advice to the Board, J.P. Morgan Cazenove has relied upon the commercial assessments of the Directors.

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<sup>11</sup> The Shares that Saba has an economic interest in may be held through derivative instruments that do not give the holder the ability to exercise the voting rights attaching to such Shares. Accordingly, the number of Shares that are voted in favour of the Resolutions to be proposed at the General Meetings by Saba, or which Saba procures are voted in favour, is likely to be less than the number of Shares in which Saba has an economic interest.

**Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meetings, as the Directors who hold Shares intend to do in respect of their own beneficial holdings, which in aggregate amount to 12,078 Shares (representing approximately 0.01 per cent. of the Company's issued Share capital (excluding Shares held in treasury) as at the Latest Practicable Date).**

The Board cannot, and does not, give any advice or recommendation to Shareholders or CSN Participants as to whether, or as to what extent, they should elect for any of the options under the Scheme. Choices in connection with the Scheme will be a matter for each Shareholder or CSN Participant to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders and CSN Participants should, before deciding what action to take, read carefully all the information in this document and in the Fund Documents (available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal)). In addition, ROI Investors should read the Fund Prospectus Irish Supplement, which will also be available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal) following and subject to Central Bank of Ireland Approval.

Shareholders and CSN Participants who are in any doubt as to the contents of this document or the Fund Documents or as to the action to be taken should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA, without delay.

Yours faithfully

**Mike Balfour**  
*Chairman*

## PART 2

### FURTHER INFORMATION ON THE FUND

The information in this section is taken from, or summarises the contents of, the Fund Prospectus that is available, together with the other Fund Documents, at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal). However, investors should not make any decision to invest in the Fund except on the basis of information provided in detail in the Fund Documents. Please note that the Board takes no responsibility for the contents of the Fund Documents.

#### 1. BACKGROUND ON THE FUND

Smithson Equity Fund (FCA product reference number: 1050119) is an open-ended investment company with variable capital incorporated in England and Wales under the OEIC Regulations. The Fund was authorised by the FCA on 16 January 2026. The Fund is a collective investment scheme (as defined in FSMA) and is a UK UCITS Scheme in terms of the COLL Rules.

Fundsmith, the Company's alternative investment fund manager, which is authorised and regulated by the FCA, is also the authorised corporate director of the Fund. Fundsmith has delegated some of its duties in relation to the investment management of the Fund to Fundsmith Investment Services Limited ("**FISL**"), a company registered in Mauritius.

Pursuant to the Rollover Option, Shareholders are entitled, subject to the terms of the Scheme, to receive Fund Shares in the Fund in respect of some or all of their holding of Shares.

Any investment in the Fund (pursuant to the Scheme or otherwise) will be governed by the Fund Prospectus, the Fund Instrument of Incorporation, the OEIC Regulations and the COLL Rules. The Board takes no responsibility for the contents of the Fund Documents.

The Fund Shares are not, and will not be, admitted to listing by any listing authority or to trading on any stock exchange.

#### 2. INVESTMENT OBJECTIVE

The aim of the Fund is to achieve long term (over 5 years) growth in value through exposure to a diversified portfolio of shares issued by listed or traded companies.

#### 3. INVESTMENT POLICY

The Fund invests in shares issued by small and mid-sized listed or traded companies globally that (at the time of initial investment by the Fund) have a market capitalisation within the range of constituents of the MSCI World SMID Index. However, the Fund is not limited to investing in companies which are constituents of the MSCI World SMID Index.

The Fund's approach is to be a long-term investor in its chosen shares. It will not adopt short-term trading strategies.

The Fund has stringent investment criteria which Fundsmith will adhere to in selecting securities for the Fund's investment portfolio. These criteria aim to ensure that the Fund invests in high quality businesses, which in the opinion of Fundsmith are those:

- that can sustain a high return on operating capital employed;
- that generate substantial cashflow;
- that have a clearly identifiable source of secular growth (growth that is driven by long-term forces in the market, rather than short-term, cyclical change) to enable retained cash to be invested at a high rate of return;
- whose advantages are difficult to replicate;
- which do not require significant leverage to generate returns;

- that are resilient to change, particularly technological innovation; and
- whose valuation is considered by Fundsmith to be attractive.

Investors should be aware that the application of these investment criteria significantly limits the number of potential investments which will be appropriate investments for the Fund's portfolio. Accordingly, the investment portfolio of the Fund will be concentrated, generally comprising between 25 and 40 stocks.

#### **4. INVESTMENT RESTRICTIONS**

As the Fund is a UK UCITS Scheme for the purposes of the COLL Rules, it is subject to the investment and borrowing powers which apply to a UK UCITS Scheme under the COLL Rules, subject to the Fund's investment objective and policy and any particular restrictions set out in the Fund Prospectus. There are additional investment restrictions applicable to the Fund, as follows:

- The Fund will not invest in units of other UCITS or other collective investment schemes.
- The Fund will not invest in derivatives and will not hedge any currency exposure arising from within the operations of an investee business nor from the holding of an investment denominated in a currency other than Sterling.
- The Fund will not engage in interest rate hedging.
- The Fund does not intend to have an interest in immovable or tangible moveable property.
- The Fund will not use securities financing transactions, total return swaps, nor credit default swaps.

The Fund will normally be fully invested, but it may hold cash or near cash (as defined in FCA Rules) when Fundsmith reasonably regards this as necessary in order to enable the redemption of Fund Shares or for the efficient management of the Fund.

#### **5. BORROWING LIMITS**

As a UK UCITS Scheme, the Fund may, subject to the COLL Rules, borrow money for the account of the Fund from an eligible institution or an approved bank (each as defined for the purposes of the COLL Rules) on terms that the borrowing is to be repayable out of the Fund's Property. However, borrowing must be on a temporary basis and Fundsmith must ensure that any such borrowing does not exceed 10 per cent. of the value of the Fund's Property.

#### **6. DISTRIBUTION POLICY**

The Fund only issues Class S accumulation shares and the Fund's income will be allocated to the capital account of the Fund on 31 December and 30 June each year instead of being distributed.

#### **7. THE FUND SHARES**

The Fund Shares will be issued as Class S accumulation shares. Class S accumulation shares are "gross paying", which means that income from the Fund's investments will be reinvested by being credited to capital without any income tax being deducted or accounted for by the Fund.

Holders of Fund Shares are not entitled to be paid any dividend income attributable to such shares, but that dividend income is automatically transferred to and retained as part of the capital assets of the Fund at the end of the relevant accounting period and is reflected in the price of an accumulation share.

Title to the Fund Shares will be evidenced by an entry on the register for the Fund and certificates will not be issued to shareholders.

As it is not possible under the OEIC Regulations and FCA Rules to have fractions of a share in the Fund, the rights attached to the Fund Shares are expressed in two denominations: smaller denomination and larger denomination. The Fund Shares include larger and smaller denomination Fund Shares in the ratio of 1:1000. Rights of smaller denomination Fund Shares are therefore in proportion to those of the larger denomination Fund Shares in the same ratio. Whenever more than 1,000 smaller denomination Fund Shares

are included in any registered holding Fundsmith will consolidate 1,000 of such Fund Shares into a larger denomination Fund Share.

## **8. REDEMPTION OF FUND SHARES**

Subject to the terms of the Fund Prospectus, a holder of Fund Shares has the right to redeem such shares on any dealing day (being 9.00 a.m. to 5.00 p.m. on any day on which the London Stock Exchange is open for business, excluding any day on which Fundsmith has notified the Depositary that it is not open for normal business or as otherwise agreed between Fundsmith and the Depositary). The Fund Shares will be purchased by Fundsmith dealing as principal.

Upon redemption, a holder of Fund Shares receives the price of the Fund Shares calculated by reference to the net asset value of a Fund Share at the next valuation point following receipt of the redemption request, as adjusted by any dilution adjustment Fundsmith may apply.

Following receipt of a request to redeem Fund Shares, the register will be updated at the next valuation point and, subject to the COLL Rules, the proceeds of any redemption of the Fund Shares will generally be paid not later than the close of business on the fourth Business Day (as defined in the Fund Prospectus) following receipt of all duly executed instruments and authorisations to effect transfer of title of the Fund Shares and satisfactory completion of Fundsmith's anti-money laundering, anti-proliferation financing and anti-terrorist financing procedures.

The redemption of Fund Shares will be subject to certain restrictions set out in the Fund Prospectus. In addition, whilst an instruction to Fundsmith to redeem Fund Shares is irrevocable, the redemption amount may not be paid by Fundsmith if insufficient documentation in connection with Fundsmith's anti-money laundering, anti-proliferation financing or anti-terrorist financing procedures has been received by Fundsmith.

Fundsmith will be required to identify and verify the identity of a holder of Fund Shares. Fundsmith may also be required to identify and, where appropriate, verify the beneficial owner of the Fund Shares. In any case, Fundsmith may be required to obtain information on the source of wealth and funds for the investment. To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate or family member of a politically exposed person, or where otherwise required to satisfy its regulatory obligations, Fundsmith may request additional information.

## **9. CHARGES AND EXPENSES**

### **9.1. Annual Management Charge**

Fundsmith is entitled to an annual management charge together with the reimbursement of all reasonable, properly documented, out of pocket expenses (plus VAT, if any) incurred in the performance of its duties. The management charge will accrue daily in arrears and is payable in respect of each calendar month as soon as practicable after the month end and in any event within 15 Business Days (as defined in the Fund Prospectus) of the date of the invoice.

The current annual management charge is payable at a rate of 0.90 per cent. of the Net Asset Value of the Fund per annum.

Fundsmith will be responsible for paying the fees of FISL.

### **9.2. Other charges and Expenses**

Other charges and expenses (including the fees, charges and expenses of the Fund's Depositary, the Fund's registrar, the appointed transfer agent and the fund administrator) incurred in relation to the ongoing management and administration of the Fund are permitted to be paid out of the assets of the Fund. Further detail in relation to the Fund's fees and expenses is provided in the Fund Documents.

## **10. PERFORMANCE**

As the Fund is recently incorporated and will have no investors until completion of the Scheme, past performance information is not yet available.

**Further details in respect of the Fund and the Fund Shares are set out in the Fund Prospectus, which is available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal).**

## **11. RISK FACTORS**

**The Fund Prospectus contains detailed information in relation to the risk factors associated with an investment in the Fund. Shareholders are strongly urged to read the Fund Prospectus and, in particular, the Risk Factors in full.**

**The investments of the Fund are subject to market fluctuations and other risks inherent with investment in stocks and shares. As such, the price of Fund Shares can go down as well as up and an investor may not get back the amount invested. There is no assurance that the investment objectives of the Fund will actually be achieved. Potential investors should only invest in the Fund if they can withstand a total loss of their investment. Inflation may occur over the duration of an investment in the Fund which can reduce the value of the investment in real terms.**

## **12. DATA PROTECTION**

On or after the Calculation Date, the Company will transfer certain personal information relating to those Shareholders and CSN Participants who are deemed to have elected, or instructed an Election, for the Rollover Option, to the Fund and Fundsmith to facilitate the registration of such investors as holders of Fund Shares (as well as the ongoing administration of their shareholding). A copy of the privacy notice setting out details of the personal information processing activities that will be carried out by the Fund and Fundsmith (as well as the rights of investors in relation to such processing) is contained in the Fund Supplementary Information Document.

The Fund and Fundsmith will collect, process and transfer the personal information of Shareholders and CSN Participants who become holders of Fund Shares on implementation of the Scheme in accordance with the privacy notice set out in the Fund Supplementary Information Document. This privacy notice also sets out details of the rights of Shareholders and CSN Participants in relation to such processing activities.

## PART 3

### OVERSEAS INVESTORS

All Shareholders are entitled to vote at, and all CSN Participants are entitled to instruct a vote in connection with, the General Meetings subject to the provisions of the Articles.

However, not all Shareholders and CSN Participants are eligible to receive Fund Shares through the Scheme. Overseas Investors should read this Part 3 in order to understand their eligibility to receive Fund Shares through the Scheme and what their default option is. For the purposes of this document, a default option is the option for which: (i) a Shareholder will be deemed to have elected; or (ii) a CSN Participant will be deemed to have instructed an Election (as applicable), in the absence of a valid Election being made.

#### 1. QUALIFYING OVERSEAS INVESTORS

##### 1.1. Fund Share eligibility

Shareholders who have a registered address in, or are resident in, or citizens or nationals of Jersey, Guernsey and the Isle of Man (other than US Persons) are eligible to receive Fund Shares and are therefore eligible for the Rollover Option.

CSN Participants who have a registered address in, or are resident in, or citizens or nationals of Jersey, Guernsey and the Isle of Man (other than US Persons) are eligible to hold Fund Shares and are therefore eligible to receive Fund Shares as a result of the Scheme.

##### 1.2. Default option for Qualifying Overseas Investors

The default option for Qualifying Overseas Investors is the Rollover Option. Qualifying Overseas Investors who, in respect of all or part of their holding of Shares, do not make a valid Election or, in the case of CSN Participants, do not validly instruct the Corporate Sponsored Nominee to make an Election, for the Cash Option will therefore be deemed to have elected for the Rollover Option (i.e. receive Fund Shares) in respect of all or part of such holding, as applicable.

##### 1.3. Isle of Man Shareholders and CSN Participants

Shareholders and CSN Participants resident in the Isle of Man should note the following in relation to the offering of Fund Shares to them in connection with the Scheme:

*In relation to Shareholders and CSN Participants resident in the Isle of Man, Resilience Asset Management (IOM) Ltd (an investment adviser and manager licensed and regulated by the Isle of Man Financial Services Authority) has been appointed to act as the promoter of the Fund in the Isle of Man for the purposes of regulation 5(1) of the Isle of Man Collective Investment Scheme (Promotion of Schemes other than Authorised and Recognised Schemes) (Exemption) Regulations 2010.*

#### 2. SHAREHOLDERS AND CSN PARTICIPANTS IN THE REPUBLIC OF IRELAND

##### 2.1. Fund Share eligibility

Fundsmith has applied to the Central Bank of Ireland for the Fund to be approved for marketing in the Republic of Ireland.

The Company will publish an announcement through a Regulatory Information Service by the Elections Deadline to confirm whether or not Central Bank of Ireland Approval has been obtained and therefore whether ROI Investors are eligible to participate in the Rollover Option and receive Fund Shares under the Scheme.

If Central Bank of Ireland Approval has been obtained prior to the Elections Deadline then ROI Investors (other than US Persons) who have not validly elected, or validly instructed an Election, for the Cash Option will be deemed to have elected, or instructed an Election, for the Rollover Option

(whereas if Central Bank of Ireland Approval has not been obtained prior to the Elections Deadline, ROI Investors will be deemed to have elected, or instructed an Election, for the Cash Option).

Subject to its publication following Central Bank of Ireland Approval, ROI Investors should read the Fund Prospectus Irish Supplement.

2.2. **Default option for ROI Investors if Central Bank of Ireland Approval is obtained prior to the Elections Deadline**

If Central Bank of Ireland Approval is obtained prior to the Elections Deadline, ROI Investors will be eligible to receive Fund Shares and to participate in the Rollover Option. If Central Bank of Ireland Approval is obtained prior to the Elections Deadline, the default option for ROI Investors is the Rollover Option. Accordingly, ROI Investors who, in respect of all or part of their holding of Shares, do not make a valid Election, or do not validly instruct an Election, for cash, will therefore be deemed to have elected, or instructed an Election, for the Rollover Option (i.e. receive Fund Shares) in respect of their entire holding.

2.3. **Default option for ROI Investors if Central Bank of Ireland Approval is not obtained prior to the Elections Deadline**

If Central Bank of Ireland Approval is not obtained prior to the Elections Deadline, ROI Investors will not be eligible to receive Fund Shares and cannot participate in the Rollover Option. If Central Bank of Ireland Approval is not obtained prior to the Elections Deadline, the default option for ROI Investors is the Cash Option. In that case, ROI Investors will be deemed to have elected, or instructed an Election, for the Cash Option in respect of their entire holding of Shares. For the avoidance of doubt, in such circumstances ROI Investors will be Non-Qualifying Overseas Investors.

3. **SHAREHOLDERS AND CSN PARTICIPANTS IN ANY OTHER JURISDICTIONS**

3.1. **Fund Share eligibility**

Shareholders or CSN Participants who have a registered address in, or are resident in, or citizens or nationals of any jurisdiction outside of the United Kingdom, Jersey, Guernsey, the Isle of Man and the Republic of Ireland (provided Central Bank of Ireland Approval is obtained prior to the Elections Deadline – see above) or that are US Persons are not eligible to receive Fund Shares unless they can satisfy the requirements described in the following paragraph.

3.2. **Default option for Non-Qualifying Overseas Investors**

The default option for Non-Qualifying Overseas Investors is the Cash Option. Non-Qualifying Overseas Investors will be deemed to have elected, or instructed an Election, for the Cash Option in respect of their entire holding of Shares, unless they have satisfied:

- Fundsmith that they are entitled to receive and hold Fund Shares without breaching any relevant securities laws and without the need for compliance on the part of the Fund or Fundsmith with any overseas laws, regulations, filing requirements or the equivalent; and
- the Company that they are entitled to make an Election, or instruct an Election, without causing the Company to breach any relevant securities laws and without the need for compliance on the part of the Company with any overseas laws, regulations, filing requirements or the equivalent.

If either the Company and Fundsmith are not so satisfied, any such Non-Qualifying Overseas Investors will instead be deemed to have elected, or instructed an Election, for the Cash Option in respect of their entire holding of Shares. Shareholders and CSN Participants in the United States and Shareholders and CSN Participants that are US Persons are Non-Qualifying Overseas Investors. **If a Non-Qualifying Overseas Investor does not contact the Company or Fundsmith and provide the required evidence as noted above by 1.00 p.m. on 5 February 2026, such Non-Qualifying Overseas Investor will be deemed to have elected, or instructed an Election, for the Cash Option in respect of their entire holding of Shares.**

The provisions of the Scheme relating to the issue of Fund Shares to Overseas Investors may be waived, varied or modified as regards a specific Shareholder or CSN Participant or on a general basis by the Board, Fundsmith and the Liquidators in their absolute discretion.

#### **4. SANCTIONS RESTRICTED PERSONS**

Notwithstanding the above, any Shares held by or on behalf of a Sanctions Restricted Person will be deemed to have been elected, or instructed to be elected, for the Cash Option. Any distribution of cash to a Sanctions Restricted Person will be at the sole and absolute discretion of the Liquidators and will be subject to all applicable law and regulation.

#### **5. NOTE TO ALL OVERSEAS INVESTORS**

All Overseas Investors should note the following:

- the Fund Shares have not been and will not be registered under the US Securities Act and the Fund Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, and the relevant clearances have not been, and will not be, obtained from the securities commission of any EEA State (other than the Republic of Ireland), any province of Canada, Australia, Japan, New Zealand or the Republic of South Africa;
- there has not been any, and there will be no, public offer of the Fund Shares in the United States;
- the Fund is not, and does not intend to be, registered under the US Investment Company Act, and investors are not, and will not be, entitled to the benefits of the US Investment Company Act; and
- no offer is being made, directly or indirectly, under the Scheme, in or into, by the use of mails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange (subject to certain exceptions described herein), of any member state of the EEA (other than the Republic of Ireland), Australia, Canada, Japan, New Zealand or the Republic of South Africa.

It is the responsibility of Shareholders and CSN Participants with registered addresses outside the UK, Jersey, Guernsey, the Isle of Man and the Republic of Ireland to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of Fund Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Shareholders and CSN Participants who are subject to taxation outside the UK should consult their own professional advisers as soon as possible.

Investors who receive Fund Shares may be protected by the United Kingdom Financial Services Compensation Scheme but this will depend on the relevant investor's status. Further information about compensation arrangements is available from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk).

## PART 4

### FURTHER DETAILS OF THE SCHEME

#### 1. TRANSFER AGREEMENT

Provided that all the conditions to the Scheme are satisfied and the Scheme becomes effective, the Liquidators (in their personal capacity and on behalf of the Company) will enter into the Transfer Agreement with the Fund (acting by Fundsmith as the Fund's ACD) on the Effective Date, pursuant to which the Rollover Pool will be transferred to the Fund in consideration for the issue of Fund Shares to the Liquidators who will renounce such Fund Shares in favour of the Shareholders and CSN Participants entitled to them in accordance with the Scheme. The Transfer Agreement excludes any liability on the part of the Liquidators for entering into or carrying into effect the Transfer Agreement, save for any liability arising out of the negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties.

The Transfer Agreement is, as at the date of this document, in a form agreed amongst the Company, the Liquidators and the Fund (acting by Fundsmith as the Fund's ACD). The Company, the Liquidators and the Fund have each given an irrevocable undertaking to enter into the Transfer Agreement on the Effective Date and the Transfer Agreement will be available for inspection as stated in Part 7 of this document.

#### 2. ELECTIONS

##### 2.1. General

Overseas Investors should refer to Part 3 of this document titled "Overseas Investors" for information on their eligibility to receive Fund Shares and whether their default option will be the Rollover Option or the Cash Option.

UK Shareholders who wish to receive Fund Shares do not need to submit a TTE Instruction in CREST or complete a Form of Election as their default option will be the Rollover Option.

Shareholders who are eligible to receive Fund Shares and who wish to receive cash in respect of all or part of their holding of Shares pursuant to the Cash Option should read carefully this section 2 of Part 4 of this document and must, in respect of the number of Shares for which they wish to receive cash, either: (a) complete and return the personalised Form of Election (for Shares held in certificated form); or (b) submit a TTE Instruction (for Shares held in uncertificated form (that is, in CREST)), in respect of the number of Shares for which you wish to make an Election for the Cash Option.

You will, subject to the terms of the Scheme, be deemed to have elected to receive Fund Shares in respect of the remainder of your holding if you do not elect for the Cash Option in respect of your full holding of Shares and you are eligible to receive Fund Shares.

##### 2.2. Shares held in uncertificated form (that is, in CREST)

If your Shares are held in uncertificated form (that is, in CREST) you will not receive a Form of Election. If you do not want to receive the applicable default option in relation to all of your Shares, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares in respect of which you are making an Election for the Cash Option to an escrow balance, specifying MUFG Corporate Markets in its capacity as receiving agent (under its participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles not later than the time and date referred to below.

If you are a CREST personal member, or sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shares in respect of which you are making an Election for the Cash Option.

**Shareholders who are eligible to receive Fund Shares and who do not send a TTE Instruction or who otherwise fail to make a valid Election will be deemed to have elected for the default option (being the Rollover Option) in respect of their entire holding of Shares.**

If you are eligible to receive Fund Shares and you wish to elect for the Cash Option in respect of some or all of your holding of Shares, you should send (or, if you are a CREST personal member, or sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the number of Shares to be transferred to an escrow account;
- the ISIN for the Shares, which is GB00BGJWTR88;
- your member account ID;
- your participant ID;
- the participant ID of MUFG Corporate Markets, in its capacity as a CREST receiving agent, which is RA10;
- the member account ID of MUFG Corporate Markets as CREST receiving agent, being 22966SMH;
- the Corporate Action Number for the Scheme. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Election and in any event by not later than 1.00 p.m. on 10 February 2026;
- the standard delivery instruction with Priority 80; and
- contact name and telephone number inserted in the share noted field.

After settlement of the TTE Instruction, you will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by MUFG Corporate Markets as escrow agent until the completion or lapsing of the Scheme.

**If any Shareholders hold Shares in uncertificated form, but under different member account IDs, they must send a TTE Instruction (to elect for the Cash Option) in respect of each member account ID.**

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above. You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Shares to settle prior to 1.00 p.m. on 10 February 2026. In connection with this, you are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

**If any Shareholders hold Shares in both certificated and uncertificated form, they should complete a Form of Election to elect for the Cash Option for their certificated holding and send a TTE Instruction to elect for the Cash Option for their CREST uncertificated holding.**

**Any person that proposes to transfer Shares after the Record Date should make their own arrangements with respect to entitlements under the Scheme.** As the Fund Shares are unlisted, transformations cannot be supported by Euroclear in respect of any CREST participant, either for stock or cash in respect of the Fund Shares. In the event that any Shareholder sells their Shares, and that trade has not settled by the Record Date, any instructions to transfer entitlements under the Scheme will need to be managed outside of CREST and bilaterally between the CREST participants involved.

### 2.3. **Shares held in certificated form**

A WHITE Form of Election (which has been personalised) has been sent to Shareholders who hold their Shares in certificated form.

**You should only return the WHITE Form of Election if you wish to receive the Cash Option in respect of some or all of your holding of Shares and you hold such Shares in certificated form.**

Shareholders who wish to elect for the Cash Option are requested to complete and return the personalised WHITE Form of Election enclosed with this document in accordance with the instructions printed thereon as soon as possible and in any event so as to be received by 1.00 p.m. on 10 February 2026.

Instructions on how to complete the Form of Election are set out in the guidance notes attached thereto. Elections, once made, will be irrevocable without the consent of the Directors, which may be withheld.

If you wish to elect for the Cash Option, please complete the Form of Election and return it to MUFG Corporate Markets at Corporate Actions, Central Square, 29 Wellington Street, Leeds, LS1 4DL by post before 1.00 p.m. on 10 February 2026.

**Shareholders who do not complete a Form of Election or who otherwise fail to make a valid Election will be deemed to have elected for the Rollover Option in respect of their entire holding of Shares.**

If Shareholders hold Shares in certificated form, but under different designations, they should complete a separate Form of Election in respect of each designation. Further Forms of Election are available from MUFG Corporate Markets on request.

### 2.4. **CSN Participants**

A YELLOW CSN Form of Election (which has been personalised) has been sent to CSN Participants, being investors who hold Shares in the Company via the Corporate Sponsored Nominee.

In order to instruct the Corporate Sponsored Nominee to make an Election for the Cash Option on their behalf, CSN Participants must complete the YELLOW CSN Form of Election in accordance with the instructions contained therein and submit it, along with any required authorisations, so as to be received by MUFG Corporate Markets, the Company's Registrar, at Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL by 1.00 p.m. on 9 February 2026 in order to be valid.

You should only return the YELLOW CSN Form of Election if you wish to instruct an Election for the Cash Option in respect of some or all of your holding of Shares and you hold Shares in the Company via the Corporate Sponsored Nominee.

Instructions on how to complete the CSN Form of Election are set out in the guidance notes attached thereto. Instructions, once made, will be irrevocable without the consent of the Directors, which may be withheld.

CSN Participants who are eligible to hold Fund Shares and who do not return a valid CSN Form of Election or who otherwise fail to make a valid instruction in respect of the Scheme will be deemed to have instructed the Corporate Sponsored Nominee to elect on their behalf for the Rollover Option in respect of all of the Shares in which they are interested.

Fund Shares will be issued to eligible CSN Participants directly and will not be held through the Corporate Sponsored Nominee.

### 2.5. **Shareholder Helpline**

If you have any queries, please contact MUFG Corporate Markets via email on [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or on 0371 664 0321 and +44 (0) 371 664 0321

(international). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

### **3. SETTLEMENT AND DEALINGS IN FUND SHARES**

It is expected that the Fund Shares will be issued on 27 February 2026 and contract notes confirming the number of shares held by Shareholders and CSN Participants who receive Fund Shares under the Scheme are expected to be despatched as soon as practicable after the Effective Date.

In accordance with the terms of the Fund Prospectus, certificates will not be issued in respect of the Fund Shares. Title to the Fund Shares will be evidenced by an entry on the Fund's register of shareholders in respect of the Fund.

As it is not possible under the OEIC Regulations and FCA Rules to have fractions of a Fund Share, the rights attached to the Fund Shares are expressed in two denominations: smaller denomination and larger denomination. The Fund Shares include larger and smaller denomination Fund Shares in the ratio of 1:1,000. Rights of smaller denomination Fund Shares are therefore in proportion to those of the larger denomination Fund Shares in the same ratio. Whenever more than 1,000 smaller denomination Fund Shares are included in any registered holding Fundsmith shall consolidate 1,000 of such Fund Shares into a larger denomination Fund Share, in accordance with the terms of the Fund Prospectus.

Payments in respect of the cash amounts due to Shareholders or CSN Participants who validly elect for the Cash Option are expected to be issued to them not later than 10 Business Days from the Effective Date. Shareholders who are recorded in the books of the Registrar as "gone away" will not have their payment issued until they contact the Registrar for security reasons.

Shareholders who have registered a bank account mandate with MUFG Corporate Markets will be paid the cash amounts due in respect of their Cash Entitlement by bank transfer by no later than 10 Business Days from the Effective Date.

Shareholders who have not previously registered a bank account mandate with MUFG Corporate Markets will be sent a cheque in Sterling in respect of the amounts due under their Cash Entitlement by post, at the risk of the person(s) entitled, to their registered address no later than 10 Business Days from the Effective Date.

It is expected that Shareholders who hold their Shares in CREST will receive their Cash Entitlements through CREST not later than 10 Business Days from the Effective Date.

Shareholders whose bank account details have changed or those that have not registered a mandate with MUFG Corporate Markets can register or update their details via [www.mysmithsonshares.co.uk](http://www.mysmithsonshares.co.uk) by no later than 10 February 2026.

Investors should note that any Shares acquired after the Elections Deadline (being 1.00 p.m. on 10 February 2026) will already be subject to one or more Elections (or deemed Elections) and that such Elections (or deemed Elections) will be irrevocable and may not be withdrawn or amended without the consent of the Directors. Any person who proposes to transfer Shares after the Elections Deadline should bring this to the attention of the relevant purchaser(s) or transferee(s) and the parties should make their own arrangements with respect to entitlements under the Scheme.

Existing certificates in respect of Shares will cease to be of tradable value following suspension of dealings in the Shares, which is expected to occur at 7.30 a.m. on 11 February 2026.

All documents and remittances despatched to or from Shareholders or CSN Participants or their appointed agents in connection with the Proposals will be despatched at their own risk.

#### **4. SANCTIONS RESTRICTED PERSONS**

Any Shares held by or on behalf of a Sanctions Restricted Person will be deemed to have been elected for, or to have instructed an Election for, the Cash Option. Any distribution of such Cash Entitlements will be at the sole and absolute discretion of the Liquidators and will be subject to all applicable law and regulation.

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

The Scheme is a reconstruction to which section 111(2) of the Insolvency Act applies. Under section 111(2) of the Insolvency Act, any Shareholder who does not vote in favour of the Resolutions to approve the Scheme to be proposed at the First General Meeting may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent in writing to the proposed Liquidators at the registered office of the Company for the attention of the proposed Liquidators and require the Liquidators to purchase such Shareholder's interest in the Company (such a Shareholder being a "**Dissenting Shareholder**").

The Liquidators will offer to purchase the interests of Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding up of the Company if all the assets of the Company had to be realised and distributed to Shareholders after repayment of the liabilities of the Company. The realisation value of a Share is expected to be below the unaudited cum-income NAV per Share, and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled or provided for.

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

If Dissenting Shareholders validly exercise their rights under section 111 of the Insolvency Act in respect of more than five per cent., in aggregate, of the issued Share capital of the Company (excluding Shares held in treasury), the Directors have discretion under the Scheme to decide that the Scheme should not proceed.

#### **6. TAXATION**

**The information set out below relates to UK taxation applicable to the Company and its Shareholders who are resident in the UK for tax purposes and who hold Shares as an investment (this information may not relate to certain categories of Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment who may be taxed differently). The information is based on existing UK taxation law and HMRC published practice in force as at the date of this document and is, therefore, subject to any subsequent changes (possibly with retrospective effect). The information is given by way of general summary only and does not constitute legal or tax advice to any person.**

**If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your professional advisers.**

##### **6.1. The Company**

The Company has obtained approval from HMRC as satisfying the conditions for approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and Chapter 3 of Part 2 of The Investment Trust (Approved Company) (Tax) Regulations 2011. The Proposals should not prejudice the ability of the Company to retain its investment trust status in respect of the current accounting period, which will end on 30 June 2026 or, if earlier, the day immediately preceding the Effective Date (if the Company is placed into members' voluntary liquidation). Furthermore, the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which

includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement under sections 15 and 16 of The Investment Trust (Approved Company) (Tax) Regulations 2011. Accordingly, the transfer of the Company's assets in the Rollover Pool and the realisation of the Company's assets in the Cash Pool under the Scheme should not give rise to a liability to UK taxation of chargeable gains for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK taxation on its net capital gains and, for the avoidance of doubt, other forms of taxable income arising in that period. For the avoidance of doubt, any such amounts would be provided for out of the Liquidation Pool.

## 6.2. Shareholders

### 6.2.1. **Reclassified Shares**

For the purposes of UK taxation of chargeable gains, a Shareholder should not be regarded as having disposed of their Shares on their reclassification into shares with "A" rights and shares with "B" rights (as relevant). Instead, the Shareholder should be regarded as having acquired the Reclassified Shares at the same time and for the same aggregate base cost as their original holding of Shares.

Where a Shareholder's Shares are reclassified into both shares with "A" rights and shares with "B" rights, the Shareholder's base cost in their original holding of Shares will be apportioned by reference to the respective market values of the shares with "A" rights and shares with "B" rights received, as at the time the Reclassified Shares are first listed.

### 6.2.2. **Cash Option**

Shareholders who receive cash under the Scheme pursuant to the Cash Option will be regarded as having made a disposal of their Reclassified Shares with "B" rights on the distribution of cash by the Liquidators via the Registrar and may be subject to UK taxation of chargeable gains depending on the particular circumstances of the Shareholder concerned.

### 6.2.3. **Rollover Option**

The Company has been advised that the exchange of shares with "A" rights for Fund Shares pursuant to the Rollover Option should constitute a scheme of reconstruction for the purposes of the UK taxation of chargeable gains, and that such exchange should not constitute a disposal of the shares with "A" rights for the purposes of the UK taxation of chargeable gains. Instead, the Fund Shares issued pursuant to the Rollover Option should be treated as replacing the shares with "A" rights for which they were exchanged and should be treated as having been acquired at the same time and for the same base cost as those shares with "A" rights are treated as having been acquired.

Any subsequent disposal of the Fund Shares may result in the holder of those Fund Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder's particular circumstances.

### 6.2.4. **Liquidation Pool surplus**

To the extent holders of Reclassified Shares with "A" rights or "B" rights receive a distribution from the Liquidation Pool, the amount received will generally be treated as consideration for a disposal of their shares. This is subject to an exception for certain "small" capital distributions which, if applicable, may instead allow the Shareholder to treat the base cost attributable to their relevant shares as reduced by the amount of the small capital distribution (to the extent it does not exceed the base cost).

### 6.2.5. **HMRC clearance**

Shareholders are advised that a clearance has been obtained from HMRC pursuant to section 138 of the TCGA confirming that the treatment described above under "Rollover Option" is not to be prevented, by virtue of section 137 of the TCGA, from applying to them. HMRC has also confirmed that no counteraction notice under section 698 of the Income Tax Act 2007 or section 746 of the Corporation Tax Act 2010 should be served in respect of the transaction.

### 6.3. **Dissenting Shareholders**

If the Liquidators exercise their discretion to purchase the Shares of a Dissenting Shareholder, the purchase price paid for their Shares will not exceed that which the Dissenting Shareholder would receive on a straightforward winding up of the Company. A Dissenting Shareholder who receives such a cash payment will be treated as disposing of the relevant Shares and may, depending on that Shareholder's particular circumstances, realise a chargeable gain for the purposes of UK taxation of chargeable gains.

Shareholders who are in any doubt as to the tax treatment of the receipt of their entitlements under, or in relation to, the Scheme should consult an appropriate professional adviser.

### 6.4. **ISAs and SIPPS**

Fund Shares should be eligible for inclusion in an ISA or SIPP. Accordingly, where Fund Shares are issued in respect of Shares currently held within an ISA or SIPP under the Scheme, those Fund Shares should generally be able to be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP.

Notwithstanding the above, Shareholders are strongly recommended to consult their own ISA or SIPP provider in advance of the appointment of the Liquidators so as to ensure that any action which may be necessary in relation to their shareholding can be taken in good time as well as consulting their own appropriate professional adviser in relation to the tax implications of any action undertaken.

### 6.5. **UK Stamp Duty and UK SDRT**

Assuming that certain exemptions or reliefs apply, it is not expected that any UK stamp duty or UK SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company or on receipt by Shareholders of Fund Shares under the Rollover Option. UK stamp duty and UK SDRT may be incurred by the Company in relation to the realignment of the Company's investment portfolio prior to the Effective Date.

## **7. OVERSEAS INVESTORS**

Overseas Investors should refer to Part 3 of this document titled "Overseas Investors" for information on their eligibility to receive Fund Shares and whether their default option will be the Rollover Option or the Cash Option.

## PART 5

### THE SCHEME

#### 1. DEFINITIONS AND INTERPRETATION

Words and expressions defined in Part 8 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 5, any Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of this Part 5 and shall be treated as if those Shares were not in issue.

#### 2. ELECTIONS AND ENTITLEMENTS UNDER THE SCHEME

- 2.1 Shareholders who are eligible to receive Fund Shares who, in respect of all or part of their holding of Shares, do not make a valid Election for the Cash Option will be deemed to have elected for the Rollover Option in respect of such holding of Shares on the Record Date.
- 2.2 There will be no limit on the number of Shares which may be elected, or deemed to be elected, for the Cash Option. Shareholders are entitled to elect, or be deemed to elect, for the Cash Option in respect of the entirety of their individual holdings of Shares on the Record Date.
- 2.3 Shares that are held in treasury by the Company will not have any entitlements under the Scheme. No value shall be attributed to Shares held in treasury by the Company.
- 2.4 Subject to the Resolutions set out in the Notice of the First General Meeting being passed (and, in the case of Resolution 1 set out in the Notice of the First General Meeting, becoming unconditional):
  - 2.4.1 the Shares in respect of which the holders are deemed to have made valid Elections for the Rollover Option will be reclassified as Shares with “**A**” rights; and
  - 2.4.2 the Shares in respect of which holders have made, or are deemed to have made, valid Elections for the Cash Option will be reclassified as Shares with “**B**” rights.
- 2.5 The rights of the Shares following the passing of the Resolutions set out in the Notice of the First General Meeting will be the rights as set out in Article 268B to be inserted into the Articles of Association pursuant to Resolution 1 contained in the Notice of the First General Meeting, and references to Shareholders will be construed accordingly.
- 2.6 In advance of the Effective Date, the Company and/or Fundsmith (or their agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in accordance with the Scheme and the Elections made, or deemed to have been made, thereunder so that, so far as practicable, the Company will hold (in addition to assets destined to become the Cash Pool and the Liquidation Pool) investments suitable for transfer to the Fund by virtue of the Transfer Agreement.
- 2.7 Holders of Reclassified Shares with “A” rights will receive such number of Fund Shares as is calculated pursuant to paragraph 8 of this Part 5.
- 2.8 Holders of Reclassified Shares with “B” rights will receive such portion of the net realisation proceeds of the Cash Pool to which they are entitled in accordance with paragraph 7 of this Part 5.

#### 3. APPORTIONMENT OF THE COMPANY'S TOTAL ASSETS

- 3.1 Subject to the Resolutions set out in the Notice of the First General Meeting being passed, on the Calculation Date, or as soon as possible thereafter, the Board and Fundsmith, in consultation with the proposed Liquidators, shall calculate the aggregate value of the total assets of the Company, the Residual NAV, the Cash FAV, the Cash FAV per Share and the Illustrative Rollover FAV (valued, for the purposes of this paragraph 3.1 only, as at the Calculation Date) in accordance with paragraph 4 below.

3.2 On the Calculation Date, or as soon as possible thereafter, the Company, in consultation with the proposed Liquidators, shall procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool as follows and in the following order:

3.2.1 first, there shall be appropriated to the Liquidation Pool cash and other assets of the Company (including, without limitation, the right to receive any and all interest, and assets representing accrued dividend income and withholding tax expected to be recoverable by the Company) which the Liquidators may call in, realise and convert into cash as they consider necessary, of a value calculated in accordance with paragraph 4.1 of this Part 5 and estimated by the proposed Liquidators to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including, without prejudice to the generality of the foregoing (and save to the extent that the same have already been paid or already deducted in calculating the total assets of the Company):

- (a) the administration costs of the Company that are expected to be incurred during the period commencing on the Calculation Date and ending on the Effective Date;
- (b) the estimated costs of purchasing (or making provision for the purchase of) the interest of any Shareholders who validly exercised their rights under section 111(2) of the Insolvency Act;
- (c) any unclaimed dividends of the Company (so far as not previously paid) and any announced or declared but unpaid dividends of the Company;
- (d) the management fee payable to Fundsmith under the Investment Management Agreement up to the date of termination of the Investment Management Agreement (which is currently expected to be the Effective Date);
- (e) the costs and expenses of the liquidation and winding up of the Company, including the fees and expenses of the Liquidators and the Registrar;
- (f) the accrued expenses of the Company;
- (g) any tax liabilities of the Company; and
- (h) an amount considered by the proposed Liquidators to be appropriate to provide for any unascertained, unknown or contingent liabilities of the Company (such amount not expected to exceed £100,000 in aggregate),

in each case: (i) including any VAT in respect thereof; but (ii) not to the extent that such cost is a Company Transaction Cost.

3.2.2 second, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in paragraph 3.2.1 above, on the following basis:

- (a) there shall be first appropriated to the Cash Pool such proportion of the undertaking, cash and other assets as shall equal the Cash FAV as set out in paragraph 4.5 of this Part 5; and
- (b) there shall then be appropriated to the Rollover Pool the balance of the undertaking, cash and other assets of the Company as at the Calculation Date and as the Company, in consultation with the other parties to the Transfer Agreement, shall determine as being suitable for the purpose, so as not to cause any infringement of the Fund Prospectus, the Fund Instrument of Incorporation or the OEIC Regulations, and taking due account of the Fund's investment objective and policy.

3.3 Interest, income and other rights or benefits accruing in respect of any of the undertaking, cash or other assets comprised in any of the Liquidation Pool, Cash Pool or Rollover Pool shall form part of that pool, provided that any income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date shall be deemed to form part of the Liquidation Pool.

#### 4. CALCULATIONS OF VALUE

- 4.1 Except as otherwise provided in the Scheme, for the purposes of calculating the value of the Company's assets and liabilities at any Relevant Time, the assets and liabilities of the Company shall be valued on the following basis (in accordance with the valuation policies and procedures of the Company):
- 4.1.1 investments which are listed, quoted or traded on any recognised stock exchange will be valued by reference to the bid price on the principal stock exchange where the relevant investment is listed, quoted or traded at the Relevant Time and according to the prices shown by the relevant exchange's method of publication of prices for such investments or, in the absence of such recognised method by the latest price available prior to the Relevant Time. If the relevant exchange is not open for business at the Relevant Time, the investments will be valued as at the latest day prior to the Relevant Time on which the relevant stock exchange was open for business;
  - 4.1.2 unquoted investments or quoted investments which are subject to restrictions on transferability or which, in the opinion of the Directors (or a duly constituted committee thereof), are otherwise illiquid shall be valued at their fair value as determined by the Directors;
  - 4.1.3 cash and deposits with, or balances at, banks together with all bills receivable, money market instruments and other debt securities not included in paragraphs 4.1.1 or 4.1.2 above and held by the Company as at the Relevant Time will be valued at par (together with interest accrued up to the Calculation Date);
  - 4.1.4 any sums owing from debtors (including any dividends due but not paid and any accrual of interest on debt-related securities to the extent not already taken into account under paragraphs 4.1.1 or 4.1.2 above) as at the Relevant Time shall be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discounts to reflect the time value of money) as may be determined by the Directors;
  - 4.1.5 assets denominated in currencies other than Sterling will be converted into Sterling at the closing mid-point rate of exchange of Sterling and such other currencies prevailing as at the Relevant Time as may be determined by the Directors; and
  - 4.1.6 liabilities shall be valued in accordance with the Company's normal accounting policies.

In this paragraph 4.1, the "**Relevant Time**" means the time and date at which any calculation of value is required by the Scheme to be made. The Directors shall consult with the Liquidators and Fundsmith in making determinations pursuant to this paragraph 4.1.

- 4.2 Notwithstanding the foregoing, the Directors (or a duly authorised committee thereof) may, in their absolute discretion (but in consultation with the Liquidators), permit an alternative method of valuation to be used if, acting in good faith, they consider that such valuation better reflects the fair value of any asset or security. None of the Directors, Fundsmith or the Liquidators will be under any liability by reason of the fact that a valuation believed to be appropriate may subsequently be found not to have been appropriate.
- 4.3 None of the Directors, Fundsmith or the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation, except in the case of fraud or bad faith.
- 4.4 The "**Residual NAV**" shall be equal to the Net Asset Value of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool in accordance with paragraph 3.2.1 above plus the value of any Company Transaction Costs that have been charged against the Company's NAV as at the Calculation Date.
- 4.5 The "**Cash FAV**" shall be equal to the Residual NAV divided by the Company's issued Share capital (excluding Shares held in treasury) as at the Calculation Date multiplied by the total number of Reclassified Shares with "B" rights, less the Company Transaction Costs (calculated to six decimal places (with 0.0000005 or above rounded down)). The "**Cash FAV per Share**" shall be equal to the Cash FAV divided by the total number of Reclassified Shares with "B" rights (expressed in pence), calculated to six decimal places (with 0.0000005 or above rounded down).

- 4.6 The “**Final Rollover FAV**” shall be equal to the Residual NAV divided by the Company’s issued Share capital (excluding Shares held in treasury) as at the Calculation Date multiplied by the total number of Reclassified Shares with “A” rights (calculated to six decimal places (with 0.0000005 or above rounded down)), comprising of assets appropriated to the Rollover Pool as at the Calculation Date but valued as at the close of business on the day before the Effective Date (in accordance with the valuation policies and procedures of the Company).

## 5. PROVISION OF INFORMATION BY THE LIQUIDATORS

On the Effective Date, or as soon as practicable thereafter, the Liquidators shall procure that there shall be delivered to the Fund (or its nominee), particulars of the undertaking, cash and other assets comprising the Rollover Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Registrar, of the names and addresses of: (i) each holder of Reclassified Shares with “A” rights and the number of Reclassified Shares with “A” rights held by each of them; and (ii) each CSN Participant identified in the CSN Direction to whom Fund Shares will be renounced pursuant to paragraphs 6.1 and 8 of this Part 5.

## 6. TRANSFER OF ASSETS

6.1 On the Effective Date, the Liquidators (in their personal capacity and on behalf of the Company) shall enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators shall procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to the Fund (or its nominee), in consideration for the issue of Fund Shares to the Liquidators (as nominees for the holders of Reclassified Shares with “A” rights entitled to them) such Fund Shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with “A” rights, or, in the case of the Corporate Sponsored Nominee’s entitlements to Fund Shares, such Fund Shares to be renounced by the Liquidators in favour of the CSN Participants who are entitled to such Fund Shares as the Corporate Sponsored Nominee shall direct in writing to the Liquidators (the “**CSN Direction**”) on the basis referred to in paragraph 8 below. Share certificates will not be issued in respect of the Fund Shares; ownership will be evidenced by an entry on the register of shareholders of the Fund. Fundsmith (as ACD of the Fund) will issue contract notes in respect of the Fund Shares to the Shareholders (and CSN Participants) entitled to them. The Fund and Fundsmith (as ACD of the Fund) will be entitled to assume that all information contained in the Register (and the CSN Direction) is correct and to utilise the same in procuring the registration of the relevant Fund Shares issued pursuant to this Scheme.

6.2 The Transfer Agreement provides that the assets to be transferred to the Fund shall be transferred with such rights and title as the Company may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, including the right to all income, dividends, distributions, interest and other rights and benefits attaching thereto or accruing therefrom but excluding any such income, dividend, distribution, interest or other right or benefit on any investment marked “ex” that income, dividend, distribution, interest or other right or benefit (as applicable) at or prior to the Calculation Date (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting by the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by the Fund (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to the Fund for all income, dividends, distributions, interest and other rights and benefits in respect of such cash, undertaking and other assets, received after the Effective Date.

## 7. DISTRIBUTION OF THE CASH POOL

Cash entitlements payable to the holders of Reclassified Shares with “B” rights shall be distributed by the Liquidators, through the Registrar and pursuant to the Scheme, in cash to each Shareholder who has elected, or is deemed to have elected, for the Cash Option in proportion to their respective holding of Reclassified Shares with “B” rights, which shall be equal to such Shareholder’s *pro rata* entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme, rounded down to the nearest penny (the “**Cash Entitlement**”).

## 8. ISSUE OF FUND SHARES

8.1 In consideration for the transfer of the Rollover Pool to the Fund in accordance with paragraph 6 above, Fund Shares shall be issued to holders of Reclassified Shares with “A” rights on the following basis:

8.1.1 the number of Fund Shares to which each such holder is entitled shall be determined in accordance with the following formula below (and shall be rounded down to the nearest one thousandth of a Fund Share in accordance with paragraph 8.1.2):

$$\text{Number of Fund Shares} = \frac{W}{Y} \times \frac{X}{Z}$$

Where:

W is the value of the Final Rollover FAV;

X is the aggregate number of Reclassified Shares with “A” rights held by the relevant Shareholder;

Y is the Fund Share Subscription Price, being £1.00; and

Z is the total number of Reclassified Shares with “A” rights.

8.1.2 Fractional entitlements will be dealt with by the issue of smaller denomination shares each equivalent to one thousandth of a Fund Share, in accordance with the terms of the Fund Prospectus.

8.2 The Fund Shares to be issued pursuant to paragraph 8.1 above will be issued to the Liquidators (as nominees for Shareholders entitled thereto) as soon as practicable after the delivery to the Fund (or its nominee) of the particulars referred to in paragraph 5 above, whereupon the Liquidators will renounce the issue of Fund Shares in favour of Shareholders and CSN Participants entitled to them in accordance with the Scheme. On such renunciation, the Fund will issue Fund Shares to the Shareholders and CSN Participants entitled thereto.

## 9. APPLICATION OF THE LIQUIDATION POOL

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting through the Liquidators) in discharging the liabilities of the Company. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme, to all Shareholders (being those Shareholders on the Register as at the Record Date) in proportion to the respective holdings of Shares on the Record Date, other than Dissenting Shareholders, provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to the Shareholder but instead shall be paid by the Liquidators to the Nominated Charity. The Liquidators will also be entitled to make interim payments to such Shareholders on the Register as at the Record Date in proportion to their holdings of Shares as aforesaid. The Liquidators will only make such distribution if there is sufficient cash available and if the Liquidators are of the view that it is cost effective to make an interim distribution. If any interim distribution payable to any Shareholder is less than £5.00, it shall not be paid to the Shareholder but instead shall be paid by the Liquidators to the Nominated Charity. For these purposes, any Shares held by Dissenting Shareholders and any Shares held in treasury will be ignored.

## 10. FORMS OF ELECTION

10.1 For the purposes of the Forms of Election (or an Election through a TTE Instruction), the provisions of which form part of the Scheme (and subject and without prejudice to the provisions of paragraphs 15 and 16 of this Part 5):

10.1.1 if, on any Form of Election (or an Election through a TTE Instruction), the total of a Shareholder's Election(s) is greater than their actual holding of Shares as at the Record Date, the Election(s) made by such Shareholder on that Form of Election (or TTE Instruction, as applicable) shall be decreased, *pro rata* where more than one Election is made in respect of the relevant Shareholder, so that the total of such Election(s) shall equal their total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such

Shareholder on the Form of Election (or an Election through a TTE Instruction, as applicable) for all purposes of this Scheme;

- 10.1.2 if, on any Form of Election (or an Election through a TTE Instruction), the total of a Shareholder's Election(s) is less than their actual holding of Shares as at the Record Date, then the balance of such Shareholder's Shares will be deemed to have elected for the Rollover Option;
- 10.1.3 a Shareholder (who is not a Non-Qualifying Overseas Investor (for more information see Part 3 of this document) or a Sanctions Restricted Person) who makes no Election by the latest time and date for receipt of the Forms of Election, or in respect of whom no Form of Election has been validly completed in accordance with the instructions therein, shall be deemed to have made an Election for the Rollover Option in respect of all of the Shares held by them for all purposes of the Scheme;
- 10.1.4 by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder agrees that the Election made on the Form of Election will be irrevocable (other than with the consent of the Directors) and, by such signature and delivery (or submission of TTE Instruction, as applicable), such Shareholder represents and warrants that their Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and
- 10.1.5 any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election will be decided at the discretion of the Directors, whose determination shall be final.

## **11. MODIFICATIONS**

The provisions of the Scheme will have effect subject to such non-material modifications or additions as the Directors and the parties to the Transfer Agreement may from time to time approve in writing.

## **12. RELIANCE ON INFORMATION**

The Company, the Directors, the Liquidators, the Fund and Fundsmith (as the ACD of the Fund) shall each 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 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, the Directors (or any of them), the Fund, Fundsmith (as the ACD of the Fund), or the Registrar, auditors, custodians, bankers or other professional advisers, and no such person shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, the Fund or Fundsmith (as the ACD of the Fund).

## **13. LIQUIDATORS' LIABILITY**

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

## **14. CONDITIONS OF THE SCHEME**

14.1 The Scheme is conditional upon:

- 14.1.1 the passing of the Resolutions to be proposed at the General Meetings, or any adjournment of those meetings, and upon any conditions of such Resolutions being fulfilled;
- 14.1.2 the FCA agreeing to amend the listing of the Shares to reflect their reclassification as Reclassified Shares for the purposes of implementing the Scheme; and
- 14.1.3 the Directors and Fundsmith (acting on behalf of the Fund as the Fund's ACD) resolving to proceed with the Scheme.

- 14.2 In the event that any of the conditions in paragraph 14.1 (other than in relation to the Resolution to be proposed at the Second General Meeting) fails to be satisfied, the Second General Meeting will be adjourned indefinitely and the Scheme will lapse.
- 14.3 Subject to paragraphs 14.1 and 14.5, the Scheme will become effective on the date on which the Resolution for the winding up of the Company to be proposed at the Second General Meeting (or any adjournment thereof) is passed.
- 14.4 If it becomes effective, the Scheme will, subject to the rights of any Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act, be binding on all Shareholders and on all persons claiming through or under them.
- 14.5 Unless the conditions set out in paragraph 14.1 have been satisfied or, to the extent permitted, waived by both the Company and the Fund (acting through Fundsmith as the Fund's ACD) on or before 30 June 2026, the Scheme shall not become effective.
- 14.6 An application will be made to the FCA for the listing of the Reclassified Shares to be suspended, subject to paragraph 14.1 above (other than in relation to the Resolution to be proposed at the Second General Meeting), at 7.30 a.m. on 27 February 2026 and it is intended that, subject to paragraph 14.1, such listing will be cancelled as soon as practicable after the Effective Date, on such date as the Liquidators will determine.

## **15. OVERSEAS INVESTORS**

- 15.1 Non-Qualifying Overseas Investors (including ROI Investors that are deemed to be Non-Qualifying Overseas Investors in accordance with paragraph 2.3 of Part 3 of this document) will be deemed to have elected, or instructed the making of an Election, for the Cash Option in respect of their entire holding of, or interest, in Shares, unless they have satisfied:
- 15.1.1 Fundsmith that they are entitled to receive and hold Fund Shares without breaching any relevant securities laws and without the need for compliance on the part of the Fund or Fundsmith with any overseas laws, regulations, filing requirements or the equivalent; and
- 15.1.2 the Company that they are entitled to make or instruct an Election without causing the Company to breach any relevant securities laws and without the need for compliance on the part of the Company with any overseas laws, regulations, filing requirements or the equivalent.

If either the Company or Fundsmith are not so satisfied, any such Non-Qualifying Overseas Investors will instead be deemed to have elected, or instructed the making of an Election, for the Cash Option in respect of their entire holding of (or interest in) Shares. Shareholders and CSN Participants in the United States and Shareholders and CSN Participants that are US Persons are Non-Qualifying Overseas Investors. If a Non-Qualifying Overseas Investor does not contact the Company or Fundsmith and provide the required evidence as noted above by 1.00 p.m. on 5 February 2026, such Non-Qualifying Overseas Investor will be deemed to have elected, or instructed the making of an Election for the Cash Option in respect of their entire holding of (or interest in) Shares.

- 15.2 The provisions of the Scheme relating to Overseas Investors may be waived, varied or modified as regards a specific Overseas Investor or on a general basis by the Board, Fundsmith (as the ACD of the Fund) and the Liquidators in their absolute discretion.

## **16. SANCTIONS RESTRICTED PERSONS**

Any Shares held by or on behalf of a Sanctions Restricted Person as at the Record Date will be deemed to have been elected (or instructed to be elected) for the Cash Option. Any distribution of such Cash Entitlements will be at the sole and absolute discretion of the Liquidators and will be subject to all applicable law and regulation.

## **17. GENERAL**

- 17.1 Each instruction then in force relating to notices and other communication preferences from the Company will, unless and until varied or revoked, be deemed, from the Effective Date, to be a valid and effective mandate or instruction to the Fund (acting through Fundsmith as the ACD of the Fund) in relation to the corresponding Fund Shares to be issued pursuant to the Scheme.
- 17.2 If, within seven days after the passing of the Resolutions proposed at the First General Meeting, Shareholders validly exercise their rights under section 111(2) of the Insolvency Act in respect of more than five per cent. in nominal value of the issued Shares (excluding Shares held in treasury), the Directors (or a duly authorised committee thereof) may, but will not be obliged to, resolve not to proceed with the Scheme. Any such resolution by the Directors (or a duly authorised committee thereof) will only be effective if passed prior to the passing of the Resolution for winding up the Company to be proposed at the Second General Meeting (or any adjournment thereof).

## **18. APPLICABLE LAW**

This Scheme will in all respects be governed by and construed in accordance with the laws of England and Wales.

## PART 6

### RISK FACTORS

**The risks referred to in this Part 6 are the material risks known to the Board at the date of this document which the Board believes Shareholders should consider prior to deciding how to cast their votes on the Resolutions at the General Meetings. Any investment in the Fund (pursuant to the Scheme or otherwise) will be governed by the Fund Prospectus, the Fund Instrument of Incorporation, the OEIC Regulations and the COLL Rules. Accordingly, Shareholders and CSN Participants are strongly urged to read the Fund Prospectus and, in particular, the risk factors contained therein. Please note that the Board takes no responsibility for the contents of the Fund Documents. Shareholders in any doubt about the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA without delay.**

#### **The Scheme**

Implementation of the Scheme is conditional upon, among other things, the Resolutions being passed at the General Meetings. In the event that any of the Resolutions to be proposed at the General Meetings are not passed, or any other condition of the Scheme is not met, the Proposals will not be implemented and the Company will bear certain costs associated with the Proposals, in addition to dealing costs (including UK SDRT) which may have been incurred by the Company in disposing of assets in order to meet Elections made pursuant to the Scheme. The Board will then consider alternative proposals for the future of the Company, the implementation of which would likely result in additional costs being incurred.

#### **Market Risk**

The appropriation of the Company's assets to the Liquidation Pool, the Rollover Pool and the Cash Pool will occur on the Calculation Date.

As the Final Rollover Pool FAV will be determined using valuations as at close of business on the day before the Effective Date (owing to the rules governing the issue of the Fund Shares), the value of the Fund Shares pursuant to the Rollover Option may be affected by movements in the value of the assets contained in the Rollover Pool between the Calculation Date and the close of business on the day before the Effective Date (both within the Rollover Pool itself and relative to the value of those assets attributed to the Cash Pool).

Shareholders who validly elect, or are deemed to have elected, for the Cash Option will receive the net realisation proceeds of such portion of the Cash Pool to which they are entitled under the Scheme. Such net realisation proceeds per Share may represent a discount to the Cash FAV per Share owing to any costs which may be incurred in realising the assets in the Cash Pool. The amount received by Shareholders pursuant to the Cash Option will also be dependent on the value at which the assets comprising the Cash Pool are realised. As such, Shareholders' entitlements under the Cash Option may be affected by movements in the value of the assets contained in the Cash Pool between the Calculation Date and completion of the realisation process.

#### **Dissenting Shareholders**

The Liquidators will offer to purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders and after repayment of the liabilities of the Company. This realisation value is expected to be below the latest unaudited cum-income NAV per Share and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled or provided for.

#### **The Fund**

**An investment in Fund Shares issued by the Fund will be governed by the Fund Documents and the Fund Instrument of Incorporation. Shareholders and CSN Participants should read the full text of the Fund Prospectus, including the section containing risk factors.**

An investment in the Fund will involve exposure to those risks normally associated with investment in stocks and shares. As such, the value of an investment in the Fund may go down as well as up and an investor may not get back the full amount invested. An investment in Fund Shares is suitable only for investors who are capable of evaluating the risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment (which may be equal to the whole amount invested). There can be no guarantee that the investment objective of the Fund will be achieved or provide the returns sought by the Fund.

Whilst the Fund will pursue the same investment objective and policy as the Company (subject to minor modifications to reflect the regulatory requirements that arise from the Fund being operated as a UK UCITS Scheme), portfolio weightings may be different to those of the Company and the risk and return that investors should expect from an investment in Fund Shares may therefore also be different to that of an investment in Shares.

The Fund Shares will be issued as Class S accumulation shares. Class S accumulation shares are gross paying meaning that income shall be credited to capital without any income tax being deducted or accounted for by the Fund. Holders of Fund Shares are not entitled to be paid the income attributable to such shares but that income is automatically transferred to (and retained as part of) the capital property of the Fund at the end of the relevant accounting period and is reflected in the price of an accumulation share. Investors will therefore not receive a cash dividend from an investment in Fund Shares.

### **Open-ended structure**

The Fund is an open-ended vehicle. Accordingly, holders of Fund Shares will have the right to request redemption of their Fund Shares in accordance with the terms of the Fund Prospectus. While Fundsmith manages its investments, including cash, such that it can meet its liabilities as they fall due, investments held may need to be sold if insufficient cash is available to finance redemptions. If the size of the required disposals is sufficiently large, or the market is illiquid, then there is a risk that the price at which investments are sold may be lower than under normal market conditions which would adversely affect the Fund's net asset value.

### **The Rollover Option is the default option for Shareholders and CSN Participants eligible to receive Fund Shares**

The Rollover Option is the default option under the Scheme for Shareholders eligible to receive Fund Shares. As a result, such Shareholders who, in respect of all or part of their holding of Shares, do not make a valid Election, or who do not make an Election at all, under the Scheme will be deemed to have elected for Fund Shares in respect of such holding.

CSN Participants who are eligible to receive Fund Shares and who do not validly instruct the Corporate Sponsored Nominee to make an Election for the Cash Option on their behalf in respect of all or some of the Shares in which they are interested will be deemed to have instructed the Corporate Sponsored Nominee to elect for Fund Shares under the Scheme in respect of such Shares.

### **Taxation**

Representations in this document concerning the taxation of Shareholders are based on current UK taxation law and HMRC published practice, which are subject to change (possibly with retrospective effect). The information in this document relating to UK taxation law and HMRC published practice is given by way of general summary and does not constitute legal or tax advice to Shareholders. The Board has been advised that the Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of capital gains. Clearance has been granted by HMRC under section 138 of the TCGA confirming that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA. HMRC have also confirmed that no counteraction notice under section 698 of the Income Tax Act 2007 nor under section 746 of the Corporation Tax Act 2010 should be served in respect of the Proposals.

However, a subsequent disposal of the Fund Shares should constitute a disposal for tax purposes and may, depending on a Shareholder's particular circumstances, give rise to a liability to UK taxation.

The Board has been advised that the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets in the Rollover Pool and the realisation of the Company's assets in the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK corporation tax for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK corporation tax on its net capital gains and, for the avoidance of doubt, other forms of taxable income arising, in that period.

## PART 7

### ADDITIONAL INFORMATION

#### 1. CONSENTS

- 1.1. J.P. Morgan Cazenove has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in this document in the form and context in which they appear.
- 1.2. The Liquidators have given and not withdrawn their written consent to the issue of this document and the inclusion of their names and references to them in this document in the form and context in which they appear.

#### 2. DOCUMENTS AVAILABLE FOR INSPECTION

- 2.1. Subject to paragraph 2.1.4 below, copies of the following documents will be made available at [www.smithson.co.uk/restructure-proposal](http://www.smithson.co.uk/restructure-proposal) and will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company from the date of this document up to and including the close of business on the Effective Date:
  - 2.1.1. this document;
  - 2.1.2. the Articles of Association of the Company (including a version containing the full terms of the amendments proposed to be made pursuant to the Scheme at the First General Meeting);
  - 2.1.3. the Fund Prospectus;
  - 2.1.4. the Fund Prospectus Irish Supplement, which shall be made available following and subject to Central Bank of Ireland Approval;
  - 2.1.5. the Fund Key Information Document;
  - 2.1.6. the Fund Instrument of Incorporation;
  - 2.1.7. the Fund Supplementary Information Document;
  - 2.1.8. deeds of undertaking from the Company, the Liquidators and the Fund (acting by Fundsmith as the ACD of the Fund) to enter into the Transfer Agreement;
  - 2.1.9. the Transfer Agreement, in a form agreed between the Company, the Liquidators and the Fund (acting by Fundsmith as the ACD of the Fund) as at the date of this document; and
  - 2.1.10. the letters of consent from J.P. Morgan Cazenove and the Liquidators referred to in paragraphs 1.1 and 1.2 of this Part 7.
- 2.2. The Articles of Association (including a version containing the full terms of the amendments proposed to be made pursuant to the Scheme at the First General Meeting) and the Transfer Agreement will also be available at the First General Meeting for at least 15 minutes prior to and during that meeting. The proposed amended Articles of Association will also be available for inspection on the Company's website and on the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>, from the date of this document.

22 January 2026

## PART 8

### DEFINITIONS

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

<b>“A” rights</b>	the rights attaching to Reclassified Shares in respect of which the holders are deemed to have made valid Elections for the Rollover Option
<b>ACD</b>	an authorised corporate director within the meaning of the OEIC Regulations
<b>Articles of Association or Articles</b>	the articles of association of the Company, as amended from time to time
<b>Australia</b>	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
<b>“B” rights</b>	the rights attaching to Reclassified Shares in respect of which the holders have made, or are deemed to have made, valid Elections for the Cash Option
<b>Board</b>	the board of Directors
<b>Business Day</b>	unless otherwise defined, a day on which the London Stock Exchange is open for business
<b>Calculation Date</b>	the time and date to be determined by the Board (but expected to be 6.00 p.m. on 10 February 2026), at which the value of the Company’s assets and liabilities will be determined for the creation of the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the Residual NAV, the Cash FAV, the Cash FAV per Share and the Illustrative Rollover FAV will be calculated for the purposes of the Scheme in accordance with the normal accounting policies and procedures of the Company (including as to the timing of such valuations)
<b>Canada</b>	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
<b>Cash Entitlement</b>	in respect of any Shareholder who validly elects, or is deemed to have elected, for the Cash Option, an amount equal to such Shareholder’s proportional entitlement to the Cash Pool pursuant to the Scheme
<b>Cash FAV</b>	the Residual NAV divided by the Company’s issued Share capital (excluding Shares held in treasury) as at the Calculation Date multiplied by the total number of Reclassified Shares with “B” rights, less the Company Transaction Costs (calculated to six decimal places (with 0.0000005 or above rounded down))
<b>Cash FAV per Share</b>	the Cash FAV divided by the total number of Reclassified Shares with “B” rights (expressed in pence), calculated to six decimal places (with 0.0000005 or above rounded down)
<b>Cash Option</b>	the option for Shareholders to receive cash under the terms of the Scheme

<b>Cash Pool</b>	the pool of cash and other assets of the Company to be established under the Scheme attributable to the Reclassified Shares with “B” rights
<b>Central Bank of Ireland</b>	the Central Bank of Ireland established pursuant to the Central Bank Act 1942 and the Central Bank Reform Act 2010 of Ireland
<b>Central Bank of Ireland Approval</b>	the requisite regulatory approvals being obtained from the Central Bank of Ireland in connection with marketing of the Fund to investors in the Republic of Ireland
<b>certificated or in certificated form</b>	a share or other security which is not in uncertificated form
<b>COLL Rules</b>	the rules contained in the Collective Investment Schemes (COLL) sourcebook in the FCA Handbook
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time
<b>Company</b>	Smithson Investment Trust plc, a public limited company incorporated and registered in England and Wales with registered number 11517636 and having its registered office at 4th Floor, 140 Aldersgate Street, London, England EC1A 4HY
<b>Company Secretary</b>	Apex Listed Companies Services (UK) Limited, a private limited company incorporated and registered in England and Wales with registered number 09879916 and having its registered office at 4th Floor, 140 Aldersgate Street, London, England EC1A 4HY, in its capacity as company secretary of the Company
<b>Company Transaction Costs</b>	the transaction costs incurred or to be incurred by the Company in connection with the Proposals, excluding the Company's UK legal fees which will be borne in full by Fundsmith
<b>Corporate Sponsored Nominee</b>	MUFG Corporate Markets Trustees (Nominees) Limited, a private limited company incorporated in England and Wales with registered number 03915424 and having its registered office at Central Square, 29 Wellington Street, Leeds, LS1 4DL, acting as nominee holder of Shares on behalf of CSN Participants under the Company's corporate sponsored nominee service
<b>CREST</b>	the UK-based system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001
<b>CREST Manual</b>	the manual published by Euroclear describing the CREST system, as amended from time to time
<b>CSN Direction</b>	the direction in writing by the Corporate Sponsored Nominee to the Liquidators regarding the Corporate Sponsored Nominee's entitlements to Fund Shares to be renounced by the Liquidators in favour of CSN Participants who are entitled to such Fund Shares
<b>CSN Form of Election</b>	the form of instruction to the Corporate Sponsored Nominee to make an Election in relation to the Scheme for use by CSN Participants in relation to the Scheme
<b>CSN Participants</b>	persons who hold Shares through the Company's Corporate Sponsored Nominee

<b>Depository</b>	Northern Trust Investor Services Limited, the depository to the Fund or such other entity as is appointed to act as depository to the Fund
<b>Directors</b>	the directors of the Company from time to time
<b>Dissenting Shareholder</b>	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act
<b>EEA State</b>	a member state of the European Economic Area
<b>Effective Date</b>	the date on which the Scheme becomes effective (which is expected to be 27 February 2026)
<b>Election</b>	the choice made by a Shareholder for the Rollover Option and/or the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Rollover Option or the Cash Option) and any reference to “elect” shall, except where the context requires otherwise, mean “elect or is deemed to elect”
<b>Elections Deadline</b>	1.00 p.m. on 10 February 2026 (or such other time and date as determined at the sole direction of the Board) being the latest time and date for determining Shareholders’ Elections (or deemed Elections) under the Scheme
<b>Euroclear</b>	Euroclear UK & International Limited, in its capacity as the operator of CREST
<b>FAV</b>	formula asset value
<b>FCA</b>	the Financial Conduct Authority of the UK, its predecessors or its successors from time to time, including, as applicable, in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>FCA Handbook</b>	the FCA handbook of rules and guidance made under FSMA, as amended from time to time
<b>FCA Rules</b>	the rules contained in the FCA Handbook, which shall include the requisite parts of the Glossary but not include guidance or evidential requirements, as amended from time to time
<b>Final Rollover FAV</b>	the Residual NAV divided by the Company’s issued Share capital (excluding Shares held in treasury) as at the Calculation Date multiplied by the total number of Reclassified Shares with “A” rights (calculated to six decimal places (with 0.0000005 or above rounded down)), comprising of assets appropriated to the Rollover Pool as at the Calculation Date but valued as at the close of business on the day before the Effective Date (in accordance with the valuation policies and procedures of the Company)
<b>Financial Services Compensation Scheme</b>	the statutory compensation scheme established under Part XV of FSMA
<b>First General Meeting</b>	the general meeting of the Company convened for 11.00 a.m. on 10 February 2026 to be held at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP, or any adjournment of that meeting

<b>FISL</b>	Fundsmith Investment Services Limited, a private limited company incorporated and registered in Mauritius with file number C123910 and having its registered office at c/o Hawksford (Mauritius) Limited, C2-401, 4th Floor Grand Baie La Croisette, Grand Baie, Republic of Mauritius
<b>Form of Election</b>	the form of election for use by Shareholders holding Shares in certificated form in relation to the Scheme
<b>Form(s) of Instruction</b>	the form(s) of instruction for use by CSN Participants in connection with the First General Meeting and/or the Second General Meeting, as the context requires
<b>Form(s) of Proxy</b>	the form(s) of proxy for use by Shareholders in connection with the First General Meeting and/or the Second General Meeting, as the context requires
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>Fund</b>	Smithson Equity Fund, an open-ended investment company with variable capital incorporated in the United Kingdom under the OEIC Regulations (FCA product reference number: 1050119)
<b>Fund Documents</b>	the Fund Prospectus, Fund Prospectus Irish Supplement, Fund Key Information Document and the Fund Supplementary Information Document
<b>Fund Instrument of Incorporation</b>	the Fund's instrument of incorporation
<b>Fund Key Information Document</b>	the key investor information document relating to the Fund and the Fund Shares
<b>Fund's Property</b>	the property of the Fund to be given to the Depositary for safe-keeping
<b>Fund Prospectus</b>	the prospectus published by the Fund dated January 2026
<b>Fund Prospectus Irish Supplement</b>	the supplement to the Fund Prospectus for use in connection with the marketing of the Fund in the Republic of Ireland, to be published following and subject to Central Bank of Ireland Approval
<b>Fund Shares</b>	Class S accumulation shares, which will be issued to Shareholders and CSN Participants who validly elect, or are deemed to have elected, or instruct or are deemed to instruct an Election, as applicable, for the Rollover Option pursuant to the Scheme
<b>Fund Share Subscription Price</b>	£1.00 per Fund Share
<b>Fundsmith or Investment Manager</b>	Fundsmith LLP, a limited liability partnership incorporated and registered in England and Wales with registered number OC354233 and having its registered office at 33 Cavendish Square, London W1G 0PW
<b>Fund Supplementary Information Document</b>	the supplementary information document issued by Fundsmith in relation to investment in the Fund
<b>General Meeting(s)</b>	the First General Meeting and/or the Second General Meeting, as the context requires
<b>HMRC</b>	HM Revenue & Customs

<b>Illustrative Rollover FAV</b>	the Residual NAV divided by the Company's issued Share capital (excluding Shares held in treasury) as at the Calculation Date multiplied by the total number of Reclassified Shares with "A" rights (calculated to six decimal places (with 0.0000005 or above rounded down)), comprising of assets appropriated to the Rollover Pool as at the Calculation Date
<b>Insolvency Act</b>	the Insolvency Act 1986, as amended from time to time
<b>Investment Management Agreement</b>	the investment management agreement dated 17 September 2018 entered into between the Company and Fundsmith under which Fundsmith has agreed to act as alternative investment fund manager to the Company, as amended from time to time
<b>ISA</b>	an individual savings account approved in the UK by HMRC
<b>Isle of Man</b>	the Isle of Man, a self-governing British Crown Dependency forming part of the British Isles
<b>Isle of Man Financial Services Authority</b>	the Isle of Man Financial Services Authority, being a statutory regulatory body established by the Transfer of Functions (Isle of Man Financial Services Authority) Order 2015
<b>Japan</b>	Japan, its cities, prefectures, territories and possessions
<b>J.P. Morgan Cazenove</b>	J.P. Morgan Securities plc, a public limited company incorporated in England and Wales with registered number 02711006 and having its registered office at 25 Bank Street, Canary Wharf, London E14 5JP (which conducts its UK investment banking activities as J.P. Morgan Cazenove)
<b>Latest Practicable Date</b>	6.00 p.m. on 20 January 2026, being the latest practicable date prior to the publication of this document
<b>Liquidation Pool</b>	the pool of cash and other assets of the Company established pursuant to the Scheme to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies (including the Liquidators' Retention), as further provided in paragraph 3.2.1 of Part 5 of this document
<b>Liquidators</b>	the liquidators of the Company being, initially, the persons appointed jointly and severally upon the Resolution to be proposed at the Second General Meeting becoming effective
<b>Liquidators' Retention</b>	a sum, expected to be £100,000, to be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company
<b>London Stock Exchange</b>	London Stock Exchange plc, a public limited company incorporated and registered in England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London EC4M 7LS
<b>Managing Partners of Fundsmith</b>	the managing partners of Fundsmith who have delivered non-binding letters of intent to vote (or procure the voting) of such Shares in the Company that are held directly or beneficially by them, or over which they exercise voting control, in favour of the Resolutions to be proposed at the General Meetings
<b>MSCI World SMID Index</b>	the global equity index that captures mid and small cap representation across 23 developed market countries maintained by MSCI

<b>Net Asset Value or NAV</b>	the gross assets of the Company or the Fund, as appropriate, less its liabilities (including provisions for such liabilities), cum income with debt calculated at fair value, determined by the Board or Fundsmith (as the ACD of the Fund) (as applicable) in their respective absolute discretions in accordance with the accounting principles adopted by the Company or the Fund (as applicable)
<b>New Zealand</b>	the islands and territories within the Realm of New Zealand, but not including the self-governing State of the Cook Islands, the self-governing State of Niue, Tokelau, or the Ross Dependency
<b>Nominated Charity</b>	Action for Children (registered charity number: 04764232)
<b>Non-Qualifying Overseas Investors</b>	Shareholders and CSN Participants who have a registered address in, or are resident in, or are citizens or nationals of, any jurisdiction other than: <ul style="list-style-type: none"> <li>● the United Kingdom;</li> <li>● Jersey;</li> <li>● Guernsey;</li> <li>● the Isle of Man;</li> <li>● in the event that Central Bank of Ireland Approval is obtained prior to the Elections Deadline (but not otherwise), the Republic of Ireland; and</li> <li>● US Persons</li> </ul>
<b>Notice of the First General Meeting</b>	the notice of the First General Meeting, which is set out on pages 61 to 67 of this document
<b>Notice of the Second General Meeting</b>	the notice of the Second General Meeting, which is set out on pages 68 to 72 of this document
<b>Notices of General Meetings or Notices</b>	the Notice of the First General Meeting and the Notice of the Second General Meeting, or either of them as the context so requires
<b>OEIC Regulations</b>	the Open-Ended Investment Companies Regulations 2001, as amended from time to time
<b>Official List</b>	the official list maintained by the FCA pursuant to Part VI of FSMA
<b>Overseas Investors</b>	Shareholders and CSN Participants who have a registered address outside of, or who are resident in, or citizens or nationals of, jurisdictions outside the United Kingdom
<b>PRA</b>	the Prudential Regulation Authority
<b>Proposals</b>	the proposals for the members' voluntary liquidation and scheme of reconstruction of the Company (pursuant to the Scheme and the Transfer Agreement), as set out in this document
<b>Qualifying Overseas Investors</b>	Shareholders and CSN Participants who have a registered address in, or are resident in, or are citizens or nationals of, Jersey, Guernsey or the Isle of Man (other than US Persons), and any ROI Investors who are deemed to be Qualifying Overseas Investors in accordance with the terms of the Scheme in the event that Central Bank of Ireland Approval is obtained prior to the Elections Deadline

<b>Reclassified Shares</b>	the Shares reclassified under the Scheme as Shares with “A” rights or “B” rights
<b>Record Date</b>	6.00 p.m. on 10 February 2026 (or such other time and date as determined at the sole direction of the Board) being the record date for determining Shareholders’ entitlements under the Scheme
<b>Register</b>	the register of members of the Company
<b>Registrar or MUFG Corporate Markets</b>	MUFG Corporate Markets (UK) Limited, a private limited company incorporated in England and Wales with registered number 02605568 and having its registered office at Central Square, 29 Wellington Street, Leeds LS1 4DL
<b>Regulatory Information Service</b>	a regulatory information service authorised by the FCA to release regulatory announcements to the London Stock Exchange
<b>Relevant Time</b>	has the meaning given to it in paragraph 4.1 of Part 5 of this document
<b>Republic of Ireland</b>	the sovereign state named “Ireland” (Éire) in Article 4 of the Constitution of Ireland and described by Irish law as the “Republic of Ireland”, and references to the “Republic of Ireland” in this document are to that state
<b>Republic of South Africa</b>	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
<b>Residual NAV</b>	the Net Asset Value of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool plus the value of any Company Transaction Costs that have been charged against the Company’s NAV as at the Calculation Date
<b>Resilience Asset Management (IOM) Ltd</b>	Resilience Asset Management (IOM) Limited, a private limited company incorporated in the Isle of Man with registered number 127781C and having its registered office at St George’s Tower, Hope Street, Douglas, Isle of Man IM1 1AR
<b>Resolution or Resolutions</b>	the resolutions to be proposed at the First General Meeting and the resolution to be proposed at the Second General Meeting or any of them as the context may require
<b>ROI Investors</b>	Shareholders and CSN Participants who have a registered address or are resident in, or are citizens or nationals of, the Republic of Ireland (other than US Persons)
<b>Rollover Option</b>	the option for Shareholders to receive Fund Shares in respect of some or all of their holding of Shares under the terms of the Scheme
<b>Rollover Pool</b>	the pool of cash, undertaking and other assets to be established under the Scheme, attributable to the Reclassified Shares with “A” rights, to be transferred to the Fund pursuant to the Transfer Agreement
<b>Saba</b>	Saba Capital Management, L.P.
<b>Saba Investment Vehicles</b>	any funds, accounts and investment vehicles managed, advised or sub-advised by Saba or any of its affiliates, excluding the Saba RICs

**Saba RICs**

any investment companies from time to time registered under the US Investment Company Act which are managed by Saba or any of its affiliates

**Sanctions Authority**

each of:

- (i) the United States government;
- (ii) the United Nations;
- (iii) the United Kingdom;
- (iv) the European Union (or any of its member states);
- (v) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and
- (vi) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury

**Sanctions Restricted Person**

any person

- (i) that is organised or resident in a country or territory that is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or
- (ii) that is, or is directly or indirectly owned or controlled by a person that is, described or designated in (a) the current "Specially Designated Nationals and Blocked Persons" list (which as of the date of this document can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>); and/or (b) the current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date of this document can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-personsgroups-and-entities-subject-to-eu-financialsanctions?locale=en>); or (c) the current "Consolidated list of financial sanctions targets in the UK" (which as of the date of this document can be found at: <https://ofsistorage.blob.core.windows.net/publishlive/2022form/ConList.html>) and which from 28 January 2026 will cease to be updated and will be superseded by the "UK Sanctions List" (which as at the date of this document can be found at: <https://www.gov.uk/government/publications/the-uk-sanctions-list>); and/or
- (iii) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current "Sectoral Sanctions Identifications" list (which as of the date of this document can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the "**SSI List**"); (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "**EU Annexes**"); or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes

**Scheme**

the proposed scheme of reconstruction and members' voluntary winding up of the Company under section 110 of the Insolvency Act, as set out in Part 5 of this document

<b>Second General Meeting</b>	the second general meeting of the Company convened for 9.30 a.m. on 27 February 2026 to be held at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP, or any adjournment of that meeting
<b>Shareholders</b>	holders of Shares (excluding, in the context of the Scheme and the members' voluntary winding up of the Company, any Dissenting Shareholders)
<b>Shares</b>	ordinary shares of 1 penny each in the capital of the Company
<b>SIPP</b>	a UK self-invested personal pension scheme
<b>SSON Interim Dividend</b>	the interim dividend of 2.1 pence per Share declared in respect of the 18-month period to 30 June 2026, which will be paid on 20 February 2026 to Shareholders who are on the Register as at close of business on 23 January 2026
<b>Sterling, £ or GBP</b>	pounds sterling, the lawful currency of the UK
<b>TCGA</b>	the Taxation of Chargeable Gains Act 1992, as amended from time to time
<b>Transfer Agreement</b>	the agreement to be entered into amongst the Company (acting by its Liquidators), the Liquidators and the Fund (acting by Fundsmith as ACD of the Fund) for the transfer of assets comprising the Rollover Pool from the Company to the Fund pursuant to the Scheme, the terms of which are summarised in paragraph 1 of Part 4 of this document
<b>TTE Instruction</b>	a transfer to escrow instruction (as described in the CREST Manual)
<b>UCITS</b>	an undertaking for collective investment in transferable securities
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK CSN Participants</b>	CSN Participants who have a registered address in, or are resident in, or are citizens or nationals of, the United Kingdom (other than US Persons)
<b>UK OEIC</b>	a UK open-ended investment company
<b>UK SDRT</b>	stamp duty reserve tax
<b>UK Shareholders</b>	Shareholders who have a registered address in, or are resident in, or are citizens or nationals of, the United Kingdom (other than US Persons)
<b>UK UCITS Scheme</b>	an authorised collective investment scheme constituted as a UK UCITS in accordance with the FCA Rules
<b>uncertificated or in uncertificated form</b>	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
<b>Uncertificated Securities Regulations 2001</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time

<b>United States</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>US Investment Company Act</b>	the U.S. Investment Company Act of 1940, as amended
<b>US Person</b>	a “U.S. person” as defined in Regulation S under the US Securities Act
<b>US Securities Act</b>	the U.S. Securities Act of 1933, as amended
<b>VAT</b>	value added tax
<b>Voting Record Time</b>	6.00 p.m. on the day which is two days (excluding non-Business Days) prior to the date of the relevant General Meeting (or, if such General Meeting is adjourned, 6.00 p.m. on the day which is two days (excluding non-Business Days) prior to the date of the adjourned General Meeting)

# SMITHSON INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 11517636 and registered as an investment company under section 833 of the Companies Act)*

## NOTICE OF FIRST GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Smithson Investment Trust plc (the “**Company**”) will be held at 11.00 a.m. on 10 February 2026 at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as special resolutions:

### SPECIAL RESOLUTIONS

#### 1. THAT:

**1.1** with effect from the date on which the amendment to the Official List of the Financial Conduct Authority to reflect the reclassification of the ordinary shares of 1 penny each in the capital of the Company (the “**Shares**”) (the “**Amendment**”) becomes effective, but subject always to paragraph 1.5 of this resolution, each of the Shares in issue as at the date of the passing of this resolution (other than any Shares held by the Company in treasury) shall be reclassified as a share the holder of which has (or is deemed to have) elected to have reclassified as a share with “A” rights or “B” rights as the case may be (the “**Reclassified Shares**”), in such respective numbers as may be required to give effect to any election validly made (or deemed to have been made) by the holder of the Share and otherwise in accordance with the terms of the scheme of reconstruction set out in Part 5 of the circular dated 22 January 2026 to shareholders of the Company (the “**Scheme**”) of which notice of this resolution forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the chair of the meeting;

**1.2** for the purposes of this resolution:

1.2.1 to the extent any holder of Shares shall be deemed to have elected for, and under the terms of the Scheme will become entitled to receive, Fund Shares, such Shares shall be reclassified as shares with “A” rights; and

1.2.2 to the extent any holder of Shares shall have validly elected (or shall be deemed to have elected) for, and under the terms of the Scheme will become entitled to receive, cash, such Shares shall be reclassified as shares with “B” rights;

**1.3** each of the holders of the shares with the rights set out in paragraph 1.2 above shall have the respective rights set out in the articles of association of the Company (the “**Articles**”) as amended by this resolution;

**1.4** with effect from the date on which the Amendment becomes effective, but subject always to paragraph 1.5 of this resolution, the Articles be and are hereby amended by:

1.4.1 the insertion of the following as a new Article 268A:

#### **“Shares with “A” rights and shares with “B” rights**

268A Every reference in these Articles to Ordinary Shares shall be construed as a reference to the ordinary shares of 1 penny each in the capital of the Company that are reclassified as shares with “A” rights or “B” rights as set out in Article 268B below. Notwithstanding anything to the contrary in these Articles, each such reclassified share will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 268B”;

1.4.2 the insertion of the following as a new Article 268B:

#### **“Rights attaching to shares with “A” rights and shares with “B” rights**

268B.1 Words and expressions defined in the circular to shareholders of the Company dated 22 January 2026 (the “**Circular**”) bear the same meanings in this Article 268B, save where the context otherwise requires.

268B.2 The rights attaching to the shares with “A” rights and the shares with “B” rights shall be identical to each other, save that in a winding up of the Company for the purposes of the scheme of reconstruction described in the Circular, notwithstanding anything to the contrary in these Articles:

- (i) the rights of holders of shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof (or as a holder thereof may direct pursuant to the Scheme) of the number of Fund Shares to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;
- (ii) the rights of holders of shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme; and
- (iii) any cash arising in the Company after the transfer of the Rollover Pool and any surplus remaining in the Liquidation Pool (“Relevant Cash”) shall be distributed in accordance with the Scheme.”

1.4.3 such further amendments to the Articles as may be required to give effect to this resolution; and

**1.5** if the Scheme does not become unconditional by the close of a general meeting of the Company convened for 27 February 2026 (or any adjournment thereof), the amendments to the Articles effected by paragraph 1.4 of this resolution shall be further amended such that the insertion of Articles 268A and 268B shall cease to have effect as from the close of that meeting (or any adjournment thereof), the reclassification of Shares provided for by this resolution shall be reversed and each Reclassified Share shall revert to being a Share ranking *pari passu* in all respects.

**2. THAT**, subject to: (i) the passing of resolution 1 above at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 30 June 2026; and (iii) the passing at a general meeting of the Company convened for 27 February 2026 (or any adjournment thereof) of a resolution for the voluntary winding up of the Company and the appointment of the Liquidators:

**2.1** the Scheme set out in Part 5 of the circular to shareholders of the Company dated 22 January 2026 (the “**Circular**”), a copy of which has been laid before this meeting and signed for the purpose of identification by the chair of the meeting, be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the “**Liquidators**”) be and hereby are authorised to implement the Scheme and to execute any document and do anything for the purpose of carrying the Scheme into effect;

**2.2** the Liquidators, when appointed, will be and hereby are authorised and directed:

2.2.1 under this special resolution and the articles of association of the Company, as amended as provided in resolution 1 above, and pursuant to section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with the Fund, and in the form of the draft laid before the meeting and signed for the purposes of identification by the chair of the meeting, with such amendments as the parties thereto may from time to time agree;

2.2.2 to request that the Fund (acting by Fundsmith as the Fund’s ACD) issue the Fund Shares on the basis described in the Transfer Agreement for distribution among the holders of shares with “A” rights in the capital of the Company entitled thereto (or as a holder thereof may direct pursuant to the Scheme) under the Scheme by way of satisfaction and discharge of their respective interests in so much of the property and assets of the Company as shall be transferred to the Fund in accordance with the Transfer Agreement and the Scheme;

2.2.3 to procure that the Rollover Pool be vested in the Fund (or its agent or nominee) on and subject to the terms of the Transfer Agreement;

2.2.4 to realise for cash the undertaking, cash and other assets comprising the Cash Pool;

- 2.2.5 to distribute cash among the holders of shares with “B” rights by way of satisfaction and discharge of their interests in so much of the property and assets of the Company as shall comprise the Cash Pool in accordance with the Scheme;
- 2.2.6 to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member of the Company who validly dissents from this resolution under section 111(2) of the Insolvency Act 1986 from the Liquidation Pool (as defined in the Scheme);
- 2.2.7 to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
- 2.2.8 to apply for the admission of the Reclassified Shares to the closed-ended investment funds category of the Official List and to trading on the London Stock Exchange’s main market for listed securities to be cancelled with effect from such date as the Liquidators may determine;
- 2.3** the articles of association of the Company be and are hereby amended by inserting the following as a new Article 269:

**“Winding up in connection with the Scheme**

269 Notwithstanding anything to the contrary in these Articles, upon the winding up of the Company in connection with the scheme of reconstruction (the “**Scheme**”) set out in Part 5 of the circular to shareholders of the Company dated 22 January 2026 (the “**Circular**”), the Liquidators of the Company will give effect to the Scheme and will enter into and give effect to the Transfer Agreement with the Fund (as duly amended where relevant), a draft of which was tabled at a general meeting of the Company convened for 10 February 2026 by a notice contained in the Circular, in accordance with the provisions of this Article and Articles 268A and 268B, and the holders of shares with “A” rights or “B” rights will be entitled to receive Fund Shares and/or cash, in each case in accordance with the terms of the Scheme and Article 268B.2. The definitions in the Circular have the same meanings in this Article 269 save where the context otherwise requires.”; and

- 2.4** terms defined in the Circular have the same meanings in this resolution.

*By Order of the Board*

**Apex Listed Companies Services (UK) Limited**

*Company Secretary*

22 January 2026

*Registered Office*

4th Floor 140 Aldersgate Street,  
London EC1A 4HY

## Notes:

### Entitlement to attend and vote

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only Shareholders registered on the Register as at 6.00 p.m. on 6 February 2026 (or, in the event of any adjournment, on the date which is two days (excluding non-business days) before the time of the adjourned First General Meeting) will be entitled to attend and vote or be represented at the First General Meeting in respect of Shares registered in their name at that time. Changes to the Register after that time will be disregarded in determining the rights of any person to attend and vote at the First General Meeting.

### Appointment of a proxy

2. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the First General Meeting. A PINK Form of Proxy for use in connection with the First General Meeting is enclosed with this document. A proxy need not be a Shareholder of the Company but must attend the First General Meeting to represent you. A Shareholder may appoint more than one proxy in relation to the First General Meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that Shareholder. You can appoint the chair of the meeting, or any other person, as your proxy. Please indicate if the proxy instruction is one of multiple instructions being given.
3. Shareholders can appoint a proxy to exercise their voting rights at the First General Meeting by:  
(i) logging onto [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) and following the instructions or using the VOTE+ app (see below); (ii) completing and returning the PINK Form of Proxy accompanying this document. If you wish to appoint more than one proxy, you may request additional hard copies of the PINK Form of Proxy directly from the Registrar, MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or by calling 0371 664 0300. Please note that calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales; (iii) if you are an institutional investor, appointing a proxy electronically via the Proximity platform (see below); or (iv) in the case of CREST members, utilising the CREST electronic proxy appointment service in accordance with the procedures set out below. **To be valid any appointment of a proxy, together with any power of attorney or other authority under which such instrument of appointment is signed or a certified copy thereof, must be validly completed, transmitted and received by MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 11.00 a.m. on 6 February 2026.**
4. VOTE+ is a free app for smartphone and tablet provided by MUFG Corporate Markets, the Registrar. It offers Shareholders the option to submit a proxy appointment quickly and easily online, as well as real-time access to their shareholding records. The app is available to download on the Apple App Store and Google Play or by scanning the relevant QR code below.



5. If you hold Shares through the Corporate Sponsored Nominee, your Shares are held on your behalf in the name of MUFG Corporate Markets Trustees (Nominees) Limited, which is the registered Shareholder. You can tell the Corporate Sponsored Nominee how you want the votes in respect of your Shares to be cast at the First General Meeting (or any adjourned First General Meeting), by submitting an instruction, either electronically via [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) or by returning the provided GREEN hard copy Form of Instruction to MUFG Corporate Markets. In order for your vote to be effective: (i) an electronic instruction in connection with the First General Meeting must be submitted by 11.00 a.m. on 5 February 2026 (or 72 hours before any adjourned First General

Meeting, excluding non-Business Days); or (ii) the completed Form of Instruction for use in connection with the First General Meeting, along with any required authorisations, must be received by MUFG Corporate Markets at FREEPOST, PXS 1 by 11.00 a.m. on 5 February 2026 (or 72 hours before any adjourned First General Meeting, excluding non-Business Days). MUFG Corporate Markets Trustees (Nominees) Limited will appoint the chair of the First General Meeting as its proxy to cast your votes. The appointed proxy may also vote or abstain from voting as they think fit on any other business (including amendments to resolutions) which may properly come before the First General Meeting. If you wish to attend and/or vote at the First General Meeting, you must confirm this to MUFG Corporate Markets by email to [Nominee.Enquiries@cm.mpms.mufg.com](mailto:Nominee.Enquiries@cm.mpms.mufg.com) or in writing by contacting MUFG Corporate Markets at MUFG Corporate Markets (UK) Limited, Central Square, Leeds, LS1 4DL by no later than 11.00 a.m. on 5 February (or 72 hours before any adjourned First General Meeting, excluding non-Business Days).

6. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). In order to be considered valid, your proxy must be lodged by 11.00 a.m. on 6 February 2026 (or 48 hours before any adjourned First General Meeting, excluding non-Business Days). Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
7. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or withhold from voting.
8. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register in respect of the joint holding (the first-named being the more senior).
9. The return of a completed Form of Proxy or submission of an electronic proxy appointment will not prevent a Shareholder attending the First General Meeting and voting in person if they wish to do so.

#### **Appointment of proxy through CREST**

10. 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, 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.
11. 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 the specifications of Euroclear, 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: RA10) no later than 48 hours (excluding non-Business Days) before the time appointed for holding the First General Meeting. 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.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear 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(s), to procure that their 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 provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Termination of proxy appointments**

14. In order to revoke a proxy instruction, Shareholders will need to inform the Company through the Registrar, MUFG Corporate Markets. Shareholders should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. In the case of a Shareholder 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 of attorney) must be included with the revocation notice.
15. If a Shareholder attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments (see above) then the proxy appointment will remain valid.
16. The return of a completed Form of Proxy or submission of an electronic proxy appointment will not prevent a Shareholder attending the First General Meeting and voting in person if they wish to do so. If you have appointed a proxy and attend the First General Meeting in person, your proxy appointment will be automatically terminated.
17. If you submit more than one valid proxy appointment in respect of the same Shares, the appointment received last before the latest time for receipt of proxies will take precedence.

### **Nominated persons**

18. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the Shareholder by whom they were nominated, have a right to be appointed (or have someone else appointed) as a proxy for the First General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 2 to 8 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders of the Company.

### **Corporate representatives**

19. Corporate representatives are entitled to attend and vote on behalf of a corporate Shareholder in accordance with section 323 of the Companies Act. In accordance with the provisions of the Companies Act, each such representative may exercise (on behalf of the corporate Shareholder) the same powers as the corporate Shareholder could exercise if it were an individual Shareholder of the Company, provided that he or she does not do so in relation to the same Shares.

### **Rights of Shareholders to ask questions**

20. Under section 319A of the Companies Act any Shareholder attending the First General Meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### **Issued Shares and total voting rights**

21. As at 20 January 2026 (the Latest Practicable Date before publication of this Notice of General Meeting) the Company's issued Share capital consisted of 177,107,958 Shares, of which 69,680,475 Shares

were held in treasury. Therefore, the total voting rights in the Company as at 20 January 2026 were 107,427,483.

### **Electronic addresses**

22. Information regarding the First General Meeting, including the information required by section 311A of the Companies Act, is available at the Company's website [www.smithson.co.uk](http://www.smithson.co.uk). However, investors should note that the contents of the Company's website, and the contents of any websites which can be accessed through links on the Company's website, do not form part of this Notice. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in this Notice of First General Meeting (or in any related documents, including a Form of Proxy or Form of Instruction) to communicate with the Company for any purposes other than those expressly stated.

# SMITHSON INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 11517636 and registered as an investment company under section 833 of the Companies Act)*

## NOTICE OF SECOND GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Smithson Investment Trust plc (the “**Company**”) will be held at 9.30 a.m. on 27 February 2026 at the offices of J.P. Morgan Cazenove, 60 Victoria Embankment, London EC4Y 0JP for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

### SPECIAL RESOLUTION

**THAT**, provided that the Directors shall not have resolved, prior to the date of this meeting (or any adjournment thereof) to abandon the Scheme:

- (i) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and that Richard Peter Barker and Derek Neil Hyslop, both licensed insolvency practitioners of Ernst & Young LLP, be and they are hereby appointed joint liquidators (the “**Liquidators**”) of the Company for the purposes of such winding up and distributing the assets of the Company in accordance with the Scheme and any power conferred on them by law, the articles of association or by this resolution may be exercised by them jointly or by each of them alone;
- (ii) the remuneration (plus VAT) of the Liquidators be determined by reference to the time properly given by them and their staff in attending to matters arising prior to and during the winding up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and the Liquidators be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them and to give effect to the Scheme;
- (iii) the Company’s books and records be held by the Company Secretary to the order of the Liquidators until the expiry of 12 months after the date of dissolution of the Company, when they may be disposed of (save for financial and trading records which will be kept for a minimum of six years following the vacation of the Liquidators from office);
- (iv) the Liquidators be empowered and directed to carry into effect the provisions of the articles of association as amended by the special resolutions passed at the First General Meeting of the Company, notice of which was contained in the circular to Shareholders of the Company dated 22 January 2026 (the “**Circular**”);
- (v) the Liquidators be and are hereby authorised pursuant to section 165 of the Insolvency Act 1986 to exercise the powers set out in Part 1 of Schedule 4 of the Insolvency Act 1986 as may be necessary or desirable in their judgment, acting jointly and severally, to give effect to the Scheme and/or to carry out the winding up of the Company; and
- (vi) terms defined in the Circular have the same meanings in this resolution.

*By Order of the Board*

**Apex Listed Companies Services (UK) Limited**

*Company Secretary*

22 January 2026

*Registered Office*

4th Floor 140 Aldersgate Street,  
London EC1A 4HY

## Notes:

### Entitlement to attend and vote

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only Shareholders registered on the Register as at 6.00 p.m. on 25 February 2026 (or, in the event of any adjournment, on the date which is two days (excluding non-business days) before the time of the adjourned Second General Meeting) will be entitled to attend and vote or be represented at the Second General Meeting in respect of Shares registered in their name at that time. Changes to the Register after that time will be disregarded in determining the rights of any person to attend and vote at the Second General Meeting.

### Appointment of a proxy

2. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the Second General Meeting. A BLUE Form of Proxy for use in connection with the Second General Meeting is enclosed with this document. A proxy need not be a Shareholder of the Company but must attend the Second General Meeting to represent you. A Shareholder may appoint more than one proxy in relation to the Second General Meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that Shareholder. You can appoint the chair of the meeting, or any other person, as your proxy. Please indicate if the proxy instruction is one of multiple instructions being given.
3. Shareholders can appoint a proxy to exercise their voting rights at the Second General Meeting by: (i) logging onto [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) and following the instructions or using the VOTE+ app (see below); (ii) completing and returning the BLUE Form of Proxy accompanying this document. If you wish to appoint more than one proxy, you may request additional hard copies of the BLUE Form of Proxy directly from the Registrar, MUFG Corporate Markets at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or by calling 0371 664 0300. Please note that calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales; (iii) if you are an institutional investor, appointing a proxy electronically via the Proximity platform (see below); or (iv) in the case of CREST members, utilising the CREST electronic proxy appointment service in accordance with the procedures set out below. **To be valid any appointment of a proxy, together with any power of attorney or other authority under which such instrument of appointment is signed or a certified copy thereof, must be validly completed, transmitted and received by MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 9.30 a.m. on 25 February 2026.**
4. VOTE+ is a free app for smartphone and tablet provided by MUFG Corporate Markets, the Registrar. It offers Shareholders the option to submit a proxy appointment quickly and easily online, as well as real-time access to their shareholding records. The app is available to download on the Apple App Store and Google Play or by scanning the relevant QR code below.



5. If you hold Shares through the Corporate Sponsored Nominee, your Shares are held on your behalf in the name of MUFG Corporate Markets Trustees (Nominees) Limited, which is the registered Shareholder. You can tell the Corporate Sponsored Nominee how you want the votes in respect of your Shares to be cast at the Second General Meeting (or any adjourned Second General Meeting), by submitting an instruction, either electronically via [www.mysmithsonshares.co.uk/welcome](http://www.mysmithsonshares.co.uk/welcome) or by returning the provided PURPLE hard copy Form of Instruction to MUFG Corporate Markets. In order for your vote to be effective: (i) an electronic instruction

in connection with the Second General Meeting must be submitted by 9.30 a.m. on 24 February 2026 (or 72 hours before any adjourned Second General Meeting, excluding non-Business Days); or (ii) the completed Form of Instruction for use in connection with the Second General Meeting, along with any required authorisations, must be received by MUFG Corporate Markets at FREEPOST, PXS 1 by 9.30 a.m. on 24 February 2026 (or 72 hours before any adjourned Second General Meeting, excluding non-Business Days). MUFG Corporate Markets Trustees (Nominees) Limited will appoint the chair of the Second General Meeting as its proxy to cast your votes. The appointed proxy may also vote or abstain from voting as they think fit on any other business (including amendments to resolutions) which may properly come before the Second General Meeting. If you wish to attend and/or vote at the Second General Meeting, you must confirm this to MUFG Corporate Markets by email to [Nominee.Enquiries@cm.mpms.mufg.com](mailto:Nominee.Enquiries@cm.mpms.mufg.com) or in writing by contacting MUFG Corporate Markets at MUFG Corporate Markets (UK) Limited, Central Square, Leeds, LS1 4DL by no later than 9.30 a.m. on 24 February (or 72 hours before any adjourned Second General Meeting, excluding non-Business Days).

6. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). In order to be considered valid, your proxy must be lodged by 9.30 a.m. on 25 February 2026 (or 48 hours before any adjourned Second General Meeting, excluding non-Business Days). Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
7. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or withhold from voting.
8. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register in respect of the joint holding (the first-named being the more senior).
9. The return of a completed Form of Proxy or submission of an electronic proxy appointment will not prevent a Shareholder attending the Second General Meeting and voting in person if they wish to do so.

#### **Appointment of proxy through CREST**

10. 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 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.
11. 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 the specifications of Euroclear, 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: RA10) no later than 48 hours (excluding non-Business Days) before the time appointed for holding the Second General Meeting. 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.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear 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(s), to procure that their 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 provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Termination of proxy appointments**

14. In order to revoke a proxy instruction, Shareholders will need to inform the Company through the Registrar, MUFG Corporate Markets. Shareholders should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. In the case of a Shareholder 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 of attorney) must be included with the revocation notice.
15. If a Shareholder attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments (see above) then the proxy appointment will remain valid.
16. The return of a completed Form of Proxy or submission of an electronic proxy appointment will not prevent a Shareholder attending the Second General Meeting and voting in person if they wish to do so. If you have appointed a proxy and attend the Second General Meeting in person, your proxy appointment will be automatically terminated.
17. If you submit more than one valid proxy appointment in respect of the same Shares, the appointment received last before the latest time for receipt of proxies will take precedence.

### **Nominated persons**

18. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the Shareholder by whom they were nominated, have a right to be appointed (or have someone else appointed) as a proxy for the Second General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 2 to 8 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders of the Company.

### **Corporate representatives**

19. Corporate representatives are entitled to attend and vote on behalf of a corporate Shareholder in accordance with section 323 of the Companies Act. In accordance with the provisions of the Companies Act, each such representative may exercise (on behalf of the corporate Shareholder) the same powers as the corporate Shareholder could exercise if it were an individual Shareholder of the Company, provided that he or she does not do so in relation to the same Shares.

### **Rights of Shareholders to ask questions**

20. Under section 319A of the Companies Act any Shareholder attending the Second General Meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### **Issued Shares and total voting rights**

21. As at 20 January 2026 (the Latest Practicable Date before publication of this Notice of General Meeting) the Company's issued Share capital consisted of 177,107,958 Shares, of which 69,680,475 Shares were held in treasury. Therefore, the total voting rights in the Company as at 20 January 2026 were 107,427,483.

### **Electronic addresses**

22. Information regarding the Second General Meeting, including the information required by section 311A of the Companies Act, is available at the Company's website [www.smithson.co.uk](http://www.smithson.co.uk). However, investors should note that the contents of the Company's website, and the contents of any websites which can be accessed through links on the Company's website, do not form part of this Notice. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in this Notice of Second General Meeting (or in any related documents, including a Form of Proxy or Form of Instruction) to communicate with the Company for any purposes other than those expressly stated.

