

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE RECONSTRUCTION AND MEMBERS' VOLUNTARY WINDING-UP OF HENDERSON EUROTRUST PLC ON WHICH YOU 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 ACTION TO BE TAKEN, YOU ARE RECOMMENDED TO SEEK YOUR OWN PERSONAL FINANCIAL ADVICE FROM AN APPROPRIATELY QUALIFIED INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE IN THE UNITED KINGDOM, OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER IF YOU ARE IN A TERRITORY OUTSIDE OF THE UNITED KINGDOM, WITHOUT DELAY.

If you have sold or otherwise transferred all of your Ordinary Shares in Henderson EuroTrust plc (the "**Company**" or "**HNE**"), you should pass this document, together with the accompanying documents (but not any accompanying personalised Forms of Proxy or Form of Election), as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, the related prospectus published by Henderson European Focus Trust plc (the "**HEFT Prospectus**") should not be forwarded to or transmitted in or into any Overseas Jurisdiction. Shareholders who are resident in, or citizens of, territories outside the United Kingdom should read the section headed "Excluded Shareholders" in Part 2 of this document.

The New HEFT Shares are not and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), and the New HEFT Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of "U.S. persons" as defined in Regulation S under the US Securities Act ("**US Persons**") except pursuant to an exemption from the registration requirements of the US Securities Act. Additionally, HEFT is not, and does not intend to be, registered as an investment company under the US Investment Company Act of 1940, as amended (the "**US Investment Company Act**"), and HEFT Shareholders are not, and will not be, entitled to the benefits of the US Investment Company Act. No issuance, offer, purchase, sale or transfer of New HEFT Shares may be made except in a manner which would not require HEFT to register under the US Investment Company Act. There has been and will be no public offer of the New HEFT Shares in the United States.

In connection with the Scheme, US Persons which are existing holders of shares in the Company ("**US Shareholders**") are requested (where applicable) to execute the US Investor Representation Letter annexed to the HEFT Prospectus and return it to HEFT in accordance with the instructions printed thereon.

Deutsche Numis is authorised and regulated in the United Kingdom by the FCA and is advising the Company and no one else in connection with the Proposals (whether or not a recipient of this document). Deutsche Numis will not be responsible to any person other than the Company for providing the protections afforded to its customers, nor for providing advice in relation to the Proposals, the contents of this document and the accompanying documents or any other matter referred to herein or therein.

The definitions used in this document are set out in Part 7 of this document.

HENDERSON EUROTRUST PLC

(Incorporated in England and Wales with registered number 02718241 and registered as an investment company under section 833 of the Companies Act 2006)

Recommended proposals for a merger with Henderson European Focus Trust plc and Notices of General Meetings

This document should be read in conjunction with the HEFT Prospectus relating to Henderson European Focus Trust plc ("**HEFT**") which has been prepared in accordance with the Prospectus Regulation Rules, approved by the Financial Conduct Authority in accordance with section 84 of the Financial Services and Markets Act 2000, and made available to the public in accordance with the Prospectus Regulation Rules. In relation to HEFT this document is not a prospectus and does not constitute an offer of any securities for sale or subscription. Investors should not subscribe for any New HEFT Shares referred to in this document except on the basis of information provided in the HEFT Prospectus. The HEFT Prospectus is available on HEFT's website www.henderson-european-focus.com. A short document which includes some "Frequently asked questions" is available on the Company's website at: www.henderson-eurotrust.com. The website will not be available to Overseas Shareholders.

The Proposals described in this document are conditional, among other things, on Shareholder approval. Notices of the First General Meeting, to be held at 11.30 a.m. on 20 June 2024, and the Second General Meeting, to be held at 9.30 a.m. on 4 July 2024, in each case at the offices of Janus Henderson Investors, 201 Bishopsgate, London, EC2M 3AE, are set out at the end of this document.

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 to vote on their behalf. Forms of Proxy for use in conjunction with the General Meetings are enclosed. To be valid for use at the General Meetings,

the Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the receiving agent, Computershare Investor Services PLC (the “**Receiving Agent**”) at The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible, but in any event so as to be received no later than 48 hours (excluding non-working days) before the time of the relevant meeting. Alternatively, you may appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy and following the instructions. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Receiving Agent no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting 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). Proxies submitted via CREST for the General Meetings must be transmitted so as to be received by the Receiving Agent as soon as possible and, in any event, no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold Shares in certificated form will also find enclosed with this document a Form of Election for use in connection with the Proposals. To be valid, Forms of Election must be completed and returned to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to arrive as soon as possible and, in any event, not later than 1.00 p.m. on 27 June 2024. Shareholders who hold their Shares in uncertificated form will not receive a Form of Election and should elect in accordance with the instructions contained in the section of this document titled “*Shares held in uncertificated form (that is, in CREST)*”, which can be found in Part 2 of this document.

Neither the United States Securities and Exchange Commission (the “**SEC**”) nor any securities supervisory authority of any state or other jurisdiction in the United States has approved or disapproved the Scheme or reviewed it for its fairness, nor have the contents of this document or any other documentation relating to the Scheme been reviewed for accuracy, completeness or fairness by the SEC or any securities supervisory authority in the United States. Any representation to the contrary is a criminal offence in the United States.

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

US Shareholders should note that the New HEFT Shares are not, and will not be listed on a US securities exchange and HEFT is not subject to the periodic reporting requirements of the United States Securities and Exchange Act of 1934, as amended (the “**US Exchange Act**”) and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of making a decision regarding the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since HEFT is located in a foreign country, and all of its officers and directors are citizens and residents of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court’s judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Dated 20 May 2024

Contents

SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS.....	4
EXPECTED TIMETABLE	6
PART 1 LETTER FROM THE CHAIR.....	7
PART 2 FURTHER DETAILS OF THE PROPOSALS.....	16
PART 3 THE SCHEME	23
PART 4 RISK FACTORS.....	31
PART 5 FURTHER INFORMATION ON HEFT AND THE COMBINED TRUST	34
PART 6 ADDITIONAL INFORMATION.....	39
PART 7 DEFINITIONS.....	41
NOTICE OF FIRST GENERAL MEETING	48
NOTICE OF SECOND GENERAL MEETING	53

SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the action to be taken by Shareholders are set out in the section of Part 1 of this document titled “*Action to be taken by Shareholders*” which can be found on pages 13 and 14 of this document, the section of Part 2 of this document titled “*Elections*”, and in the instructions on the Forms of Proxy, the Form of Election, and the US Investor Representation Letter (as applicable). You should read this whole document when deciding what action to take. The attention of Excluded Shareholders is drawn to the section headed “*Excluded Shareholders*” in Part 2 of this document.

TO VOTE ON THE PROPOSALS

To vote on the
Proposals



Complete and return the **PINK Form of Proxy** for the First General Meeting so as to be received as soon as possible, but in any event **no later than 11.30 a.m. on 18 June 2024**.

AND

Complete and return the **GREEN Form of Proxy** for the Second General Meeting so as to be received as soon as possible, but in any event **no later than 9.30 a.m. on 2 July 2024**.

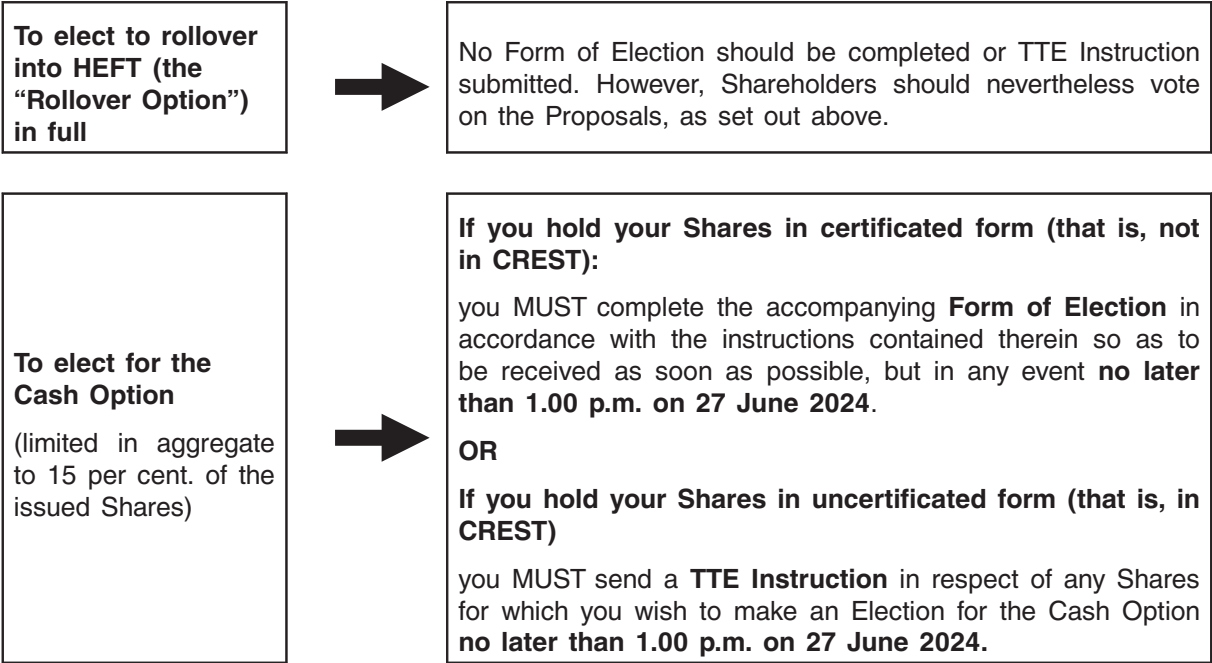
OR

Alternatively you may appoint a proxy or proxies electronically by submitting via www.investorcentre.co.uk/eproxy. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Registrars no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.

OR

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual. Proxies submitted via CREST for the General Meetings must be transmitted so as to be received by the Registrars no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.

TO MAKE AN ELECTION



If you have any questions relating to the completion and return of your Forms of Proxy and/or the Form of Election, please contact the Receiving Agent’s Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 (0)370 707 1034. Network providers’ costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline can only provide information regarding the completion of Forms of Proxy and/or the Form of Election and cannot provide you with financial, tax, investment or legal advice.

Only Shareholders who hold Shares as at 6.00 p.m. on 27 June 2024 are able to elect for the Cash Option in respect of those Shares. The extent to which a Shareholder elects for the Cash Option is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders should seek advice from their own independent financial adviser.

Excluded Shareholders

To the extent that an Excluded Shareholder would otherwise receive New HEFT Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New HEFT Shares will be sold by the Liquidators in the market and the net proceeds paid to the relevant Excluded Shareholder in accordance with paragraph 15.1 of Part 3.

IF YOU ARE NOT AN EXCLUDED SHAREHOLDER AND YOU WISH TO RECEIVE NEW HEFT SHARES IN RESPECT OF YOUR ENTIRE HOLDING OF SHARES IN THE COMPANY, YOU NEED TAKE NO ACTION AND DO NOT NEED TO COMPLETE THE FORM OF ELECTION OR SEND A TTE (TRANSFER TO ESCROW) INSTRUCTION. HOWEVER, SHAREHOLDERS SHOULD NEVERTHELESS VOTE ON THE PROPOSALS, AS SET OUT ABOVE.

EXPECTED TIMETABLE

2024

Ex dividend date for the pre-liquidation interim dividend to Shareholders	30 May
Record date for the pre-liquidation interim dividend to Shareholders	31 May
Latest time and date for receipt of proxy appointments in respect of the First General Meeting	11.30 a.m. on 18 June
Pre-liquidation interim dividend paid to Shareholders	19 June
First General Meeting	11.30 a.m. on 20 June
Latest time and date for receipt of Forms of Election and TTE Instructions	1.00 p.m. on 27 June
Record date for entitlements under the Scheme	6.00 p.m. on 27 June
Calculation Date	close of business on 27 June
Ordinary Shares disabled in CREST (for settlement)	close of business on 27 June
Latest time and date for receipt of proxy appointments in respect of the Second General Meeting	9.30 a.m. on 2 July
Reclassification of the Ordinary Shares	8.00 a.m. on 3 July
Suspension of listing of Reclassified Shares	7.30 a.m. on 4 July
Second General Meeting	9.30 a.m. on 4 July
Effective Date for implementation of the Scheme	4 July
Announcement of the results of Elections, the HNE Rollover FAV per Share, the HNE Cash FAV per Share and the HEFT FAV per Share	4 July
CREST accounts credited with, and dealings commence in, New HEFT Shares	8.00 a.m. on 5 July
Cheques and electronic payments despatched to Shareholders who elect for the Cash Option and CREST accounts credited with cash	week commencing 8 July
Certificates despatched in respect of New HEFT Shares	by 18 July
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 timetable (other than in relation to the General Meetings) 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 by an announcement through a Regulatory Information Service.

PART 1

LETTER FROM THE CHAIR

HENDERSON EUROTRUST PLC
(the “Company”)

(Incorporated in England and Wales with registered number 02718241 and registered as an investment company under section 833 of the Companies Act 2006)

Directors:
Nicola Ralston (Chairman)
Stephen King
Rutger Koopmans
Ekaterina (Katya) Thomson
Stephen White

Registered Office:
201 Bishopsgate
London
EC2M 3AE

20 May 2024

Dear Shareholders

Recommended proposals for a merger with Henderson European Focus Trust plc

1 Introduction

On 14 March 2024 the Board announced that it had agreed heads of terms with Henderson European Focus Trust plc (“**HEFT**”) in respect of a proposed merger of the Company with HEFT to form an enlarged, flagship, European investment trust (the “**Combined Trust**”) to be managed by the European equities team at Janus Henderson Investors. The Combined Trust is intended to be renamed Henderson European Trust plc. The Board announced updated and enhanced agreed terms of the proposed merger on 14 May 2024, following an unsolicited third party approach to the Company, negotiations by the Board seeking to optimise the outcome for Shareholders, and a consultation with certain major Shareholders who were unanimously supportive.

The Combined Trust will be co-managed by Jamie Ross and Tom O’Hara, currently lead and co-lead portfolio managers of HNE and HEFT, respectively. The Combined Trust will bring together their respective expertise and proven track records of benchmark outperformance under a single mandate: to maximise total return by investing in companies predominantly listed in Europe (excluding the UK). Its focus will be on Europe’s “global champions” – large, established and well-managed businesses operating internationally but based in Europe. The Combined Trust expects to hold a concentrated list of stocks, selected with no particular style bias but with an emphasis on the potential for long-term growth in the context of enduring global trends.

The merger will be effected by way of a scheme of reconstruction and members’ voluntary winding up of the Company under section 110 of the Insolvency Act (the “**Scheme**”) and the issue of New HEFT Shares to Shareholders who are deemed to have elected to roll over their investment into the Combined Trust (the “**Proposals**”).

The recommended Proposals have been structured with a view to avoiding any costs of change falling on continuing shareholders in the Combined Trust, and to reduce the overall ongoing charges ratio of the Combined Trust. This will be achieved through a contribution to costs from Janus Henderson to support the Scheme when the recommended Proposals become effective. In addition, the AIFM has agreed to reduce the management fees payable by the Combined Trust and to waive the termination fees that would otherwise be payable by HNE to the AIFM.

The purpose of this document is to explain the Proposals and their rationale and expected benefits, the actions required to be taken in order for them to be implemented, and to convene the General Meetings to seek the required Shareholder approvals. The expected timetable associated with the Proposals is provided on page 6 of this document.

2 Overview of the Proposals

Under the Proposals, which are conditional upon, amongst other things, the approval of Shareholders:

- (a) all Shareholders will be entitled to elect to receive cash in respect of some or all of their Shares (subject to an overall limit of 15 per cent. of the Shares in issue at the Calculation Date, excluding treasury shares) (the “**Cash Option**”); and
- (b) eligible Shareholders will by default receive New HEFT Shares (the “**Rollover Option**”) to the extent that they do not make a valid election for the Cash Option in respect of all of their Shares or to the extent that their elections for the Cash Option are scaled back in accordance with the Scheme.

The Cash Option will be priced at a 2 per cent. discount (the “**Cash Option Discount**”) to a formula asset value. This formula asset value will represent the proportion of the Residual Net Asset Value attributable to those Shares in respect of which valid elections have been made for the Cash Option (following any required scaling back in accordance with the Scheme), such amount in aggregate being the “**Cash Pool**”. The “**HNE Cash FAV per Share**” shall be equal to the value of the Cash Pool divided by the number of Shares validly elected for the Cash Option (following any required scaling back in accordance with the Scheme). The value arising from the application of the Cash Option Discount will be allocated to the Rollover Pool. The value of the Rollover Pool shall be equal to the Residual Net Asset Value less the value of the Cash Pool, plus HNE’s portion of the Janus Henderson Contribution to the extent required to ensure that the Proposals are cost-neutral for continuing shareholders in the Combined Trust (as described in paragraph 7 below). The “**HNE Rollover FAV per Share**” shall be equal to the value of the Rollover Pool divided by the number of Shares elected for the Rollover Option.

The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before making any Election, read carefully all the information in this document and in the HEFT Prospectus. Summary information on HEFT (and the Combined Trust) is set out below and in Part 5 of this document. The HEFT Prospectus should be read alongside, but does not form part of, this document. A short document which includes some “Frequently asked questions” is available on the Company’s website at: www.hendersoneurotrust.com.

3 Benefits of the Proposals

The Directors believe that the Proposals will have the following benefits for Shareholders:

- **A compelling investment case:** The Rollover Option will provide Shareholders with exposure to the Combined Trust, a flagship Europe excluding UK equities proposition, seeking to maximise total return from a portfolio of the Investment Manager’s assessment of Europe’s biggest and best companies, selected according to long-standing global trends and with an emphasis on substantial, well-managed businesses, with sustainable business models.
- **Demonstrable track record of strong performance:** HNE’s NAV total return over three, five and ten years to 30 April 2024 has been 13.1 per cent., 59.8 per cent. and 155.5 per cent. respectively. HEFT’s NAV total return over three, five and ten years to 30 April 2024 has been 30.6 per cent., 74.8 per cent., and 164.8 per cent. respectively.
- **A “best ideas” approach:** The Combined Trust will be managed by Jamie Ross, who has managed HNE’s portfolio since 2019, and Tom O’Hara, who has co-managed HEFT’s portfolio since 2020. The portfolio managers have their own distinct and proven expertise but share a fundamental investment philosophy. Working collaboratively from an enhanced knowledge base, and with the benefit of increased discussion throughout the stock picking process, it is expected that the Combined Trust will represent the very best ideas of both portfolio managers.
- **Continuity of manager and excellent European equities team:** The Combined Trust will be supported by Janus Henderson’s award-winning European equities team which encompasses 11 team members and conducts around 1,300 company meetings a year.

- **Continuity of exposure:** HEFT and HNE have over 50 per cent. of common holdings by value and the majority of the Combined Trust's portfolio is expected to comprise assets currently held by at least one of the companies. This complementarity of holdings and style will reduce the extent of any portfolio realignment required in connection with the Scheme.
- **Increased scale:** As a result of the Proposals, the Combined Trust is anticipated to have net assets of approximately £680 million (based on valuations as at 30 April 2024) and, assuming full take up of the Cash Option and the HEFT Tender Offer, would become the second largest investment company in the AIC European sector. It is also expected to be eligible for inclusion in the FTSE 250 Index¹. The enhanced scale of the Combined Trust should improve secondary market liquidity, as well as raise the profile and help marketability.
- **Reduced management fees for the Combined Trust:** The Combined Trust will benefit from improved management fee terms, with management fees to be charged on the following basis: 0.600% per annum of the Net Asset Value up to, but excluding, £500 million; 0.475% per annum of the Net Asset Value equal to and in excess of £500 million and up to, but excluding, £1 billion; and 0.450% per annum of the Net Asset Value equal to and in excess of £1 billion. This compares with the current structure of both HNE and HEFT of 0.65% per annum of the Net Asset Value up to £300 million and 0.55% per annum of the Net Asset Value in excess of £300 million.
- **Reduced OCR:** The Scheme is expected to reduce fixed costs proportionately and, along with the reduced management fees, produce a competitive OCR for the Combined Trust estimated to be approximately 0.70 per cent.² compared to HNE's current OCR of 0.79 per cent. and HEFT's of 0.80 per cent.
- **Contribution from Janus Henderson to the costs of the Proposals:** The AIFM has committed to make a contribution of £1,550,000 to the costs of the Proposals, to ensure the Proposals will be cost-neutral for continuing shareholders in the Combined Trust, and with any surplus being available for the benefit of continuing shareholders in the Combined Trust.
- **Discount/premium management policy:** The Combined Trust will introduce a five-yearly conditional performance related tender offer and will also use share buybacks and share issuance where appropriate and subject to prevailing market conditions. In addition, the board of the Combined Trust will consider, at its discretion, subject to normal market conditions and no earlier than after an initial three-year period, whether it would be in the long-term interests of shareholders as a whole to be offered additional opportunities to realise some of their investment in the Combined Trust.
- **Gearing:** The Combined Trust expects to deploy strategically both the longer-term structural and short-term gearing currently in place in HEFT, with the benefit of inexpensive long-term gearing of €35 million over 25 to 30 years (weighted average cost of 1.57 per cent.) and short-term gearing in the form of an overdraft.
- **Experienced board:** The Combined Trust's board will include directors of both HNE and HEFT ensuring continuity and collective competence and experience.
- **Opportunity for cash exit:** The Proposals include a cash exit opportunity of up to 15 per cent. of the Company's shares in issue, providing all Shareholders with the ability to realise part of their investment at the HNE Cash FAV per Share.

4 Summary information on HEFT and the Combined Trust

HEFT is a closed-ended investment company incorporated in England and Wales on 20 January 1947. It is an investment company as defined by section 833 of the Companies Act and operates as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

Janus Henderson Fund Management UK Limited (the "AIFM") will continue to be appointed as alternative investment fund manager to the Combined Trust. The AIFM delegates the provision of investment management services to Janus Henderson Investors, a global asset management firm

¹ Index eligibility subject to subsequent market movements and FTSE eligibility review.

² This figure is an estimate, which is subject to change. The actual OCR will depend on subsequent movements in costs and net assets.

which, together with its affiliates, has over £250 billion under management. The AIFM manages 11 investment trusts.

The Combined Trust's investment objective and investment policy are proposed to be amended in connection with the Scheme, as set out in Part 5 of this document and in the HEFT Prospectus.

The board of the Combined Trust will comprise seven directors drawn from HEFT and HNE. It is expected that Stephen King, Rutger Koopmans and Katya Thomson will join the HEFT Board on completion of the Scheme, and that the size of the Combined Trust's board will reduce to five directors over the following two years as those directors with the longest tenure step off the board.

Prior to the Scheme, HEFT is putting forward a tender offer to HEFT Shareholders for up to 15 per cent. of the HEFT Shares in issue, excluding treasury shares (the "**HEFT Tender Offer**"), which broadly reflects the Cash Option being offered to Shareholders under the Scheme. The HEFT Tender Offer will be priced at a 2 per cent. discount (the "**HEFT Tender Offer Discount**") to HEFT's NAV per share after adjusting for the costs of the Proposals and less SDRT and any incidental fees and commissions specific to the HEFT Tender Offer. Following the Scheme, the Combined Trust will introduce a performance-related conditional tender offer to be made to shareholders for up to 25 per cent. of the Combined Trust's outstanding share capital (excluding treasury shares), at NAV less costs and less a discount of 2 per cent. if, over the five years to 30 September 2029, the Combined Trust's NAV per share total return does not equal or exceed the total return of the benchmark (the FTSE World Europe (Ex UK) Index).

Please note that neither the Board (other than Stephen King, Rutger Koopmans and Katya Thomson, in each case in their capacity as a prospective director of HEFT) nor the Company takes any responsibility for the contents of the HEFT Prospectus. The HEFT Board takes no responsibility for the content of this document.

5 Conditions of the Proposals

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

- (a) the recommendation of the boards of the Company and HEFT to proceed with the Proposals which may be withdrawn at any time;
- (b) the passing of the Resolutions and any conditions of such Resolutions being fulfilled;
- (c) the HEFT Share Allotment Authority being approved by HEFT Shareholders and not having been revoked or superseded; and
- (d) the approval of the Financial Conduct Authority and the London Stock Exchange of the Admission of the New HEFT Shares to the premium segment of the Official List and to trading on the Main Market, respectively.

If any condition is not satisfied, the Proposals will not become effective, the Company will not proceed with the winding-up and instead will continue in existence. In these circumstances, the Directors will reassess the options available to the Company at that time.

6 Scheme mechanics and entitlements under the Scheme

Under the Scheme:

- (a) all Shareholders will be entitled to elect to receive cash in respect of some or all of their Shares (the "**Cash Option**"). The maximum number of Shares (in aggregate) that can be elected for the Cash Option is 15 per cent. of the total number of Shares in issue (excluding Shares held in treasury) as at the Calculation Date. Shareholders are entitled to elect for the Cash Option in respect of more than 15 per cent. of their individual holdings of Shares (the "**Basic Entitlement**", such excess amount being an "**Excess Application**"). However, if aggregate Elections are made for the Cash Option which exceed 15 per cent. of the issued Shares (excluding Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications; and

- (b) eligible Shareholders will by default receive New HEFT Shares (the “**Rollover Option**”) to the extent that they do not make a valid election for the Cash Option in respect of all of their Shares or to the extent that their elections for the Cash Option are scaled back in accordance with the Scheme.

Ahead of the Effective Date, the Company’s portfolio will be realigned in the most cost-effective manner to ensure that the Company has sufficient cash to fund the Liquidation Pool and the Cash Pool and has assets suitable for transfer to HEFT, taking account of HEFT’s investment policy (which is intended to be amended, subject to HEFT Shareholder approval, in connection with the Proposals).

On or shortly after the Calculation Date, the Board, in consultation with the proposed liquidators, shall finalise the division of the Company’s assets into three separate and distinct pools (the Liquidation Pool, the Cash Pool and the Rollover Pool). After allocating cash and other assets to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies, including the costs of the Proposals agreed to be borne by the Company, the Liquidator’s retention and the entitlements of any Dissenting Shareholders, there shall be appropriated to the Cash Pool and the Rollover Pool the remaining assets of the Company in the manner described in paragraph 3 of Part 3 of this document.

For illustrative purposes only, had the Calculation Date been close of business on the Latest Practicable Date and assuming that no Shareholders exercise their right to dissent from participation in the Scheme, after deduction of the Company’s pre-liquidation interim dividend declared on 20 May 2024 of 3.50 pence per Share and HEFT’s interim dividend announced on 20 May 2024 of 3.05 pence per HEFT Share, and assuming that the maximum amount is elected for the Cash Option and the HEFT Tender Offer:

- the HNE Rollover FAV per Share would have been 177.755848 pence and the HEFT FAV per Share would have been 210.911292 pence which, for the Rollover Option, would have produced a conversion ratio of 0.842799 and, in aggregate, 151,768,798 New HEFT Shares would have been issued to Shareholders who elected for the Rollover Option under the Scheme; and
- the HNE Cash FAV per Share would have been 173.588070 pence.

The above figures are for illustrative purposes only and do not represent forecasts. The HNE Rollover FAV per Share, HEFT FAV per Share and HNE Cash FAV per Share and Shareholders’ entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments. For further details of the Scheme, please refer to Part 3 of this document.

7 Costs of implementing the Scheme, the Janus Henderson Contribution and termination fee waiver

Each of HNE and HEFT will bear their own costs in relation to the Proposals.

The fixed costs of the Scheme payable by the Company are expected to be approximately £835,000 inclusive of VAT which, for the purposes of this calculation, is assumed to be irrecoverable where applicable. The estimate of the Company’s costs excludes the Liquidators’ retention to cover unknown liabilities (estimated at £100,000) and does not take account of any dealing costs which will be incurred by the Company in disposing of assets in order to repay its existing debt facilities or to fund the Cash Option and the Liquidation Pool. The Liquidators’ retention will be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company. To the extent that some or all of the Liquidators’ retention remains when the Liquidators decide to close the liquidation, this will be returned to Shareholders that were on the Register as at the Record Date.

The AIFM has agreed to make a contribution of £1,550,000 to the costs of the Proposals intended to benefit continuing shareholders in the Combined Trust (the “**Janus Henderson Contribution**”). The Janus Henderson Contribution will be calculated as being equal to the total costs of the Proposals payable by each of HNE and HEFT, less the amounts that shall accrue to each of HNE and HEFT as a result of the operation of the Cash Option Discount and the HEFT Tender Offer Discount, respectively, plus such amount as shall be required to ensure that the total contribution is £1,550,000. Part of the Janus Henderson Contribution will be taken into account in determining the HNE Rollover FAV per Share and the HEFT FAV per Share to the extent required to ensure that the

Proposals are cost-neutral for continuing shareholders in the Combined Trust. The costs associated with: any realignment or realisation of HNE's portfolio prior to the Effective Date; any stamp duty, SDRT or other transaction tax, or investment costs incurred by HEFT in connection with the transfer of the Rollover Pool; and any listing fees in respect of the New HEFT Shares to be issued in connection with the Scheme shall not be considered costs of the Proposals for the purposes of calculating the Janus Henderson Contribution. The total amount of the Janus Henderson Contribution shall not, in any circumstances, exceed £1,550,000.

The amount of the Janus Henderson Contribution will be payable to the Combined Trust following completion of the Scheme and the AIFM may elect to settle such amount by way of offset against the management fees payable to the AIFM under its management agreement with the Combined Trust.

In addition, the AIFM has agreed to waive, subject to the Scheme becoming effective, the termination fee which would otherwise be payable to it in respect of the termination of its investment management agreement with the Company.

In the event that the Scheme does not proceed then each of the Company and HEFT will bear its own costs associated with the Proposals. However, save in certain specified circumstances, the AIFM has agreed to reimburse each of the Company and HEFT for the costs that they have each incurred, up to the date on which the proposed Scheme aborts, which are directly attributable to the Proposals, subject to an aggregate maximum amount of £1,550,000. In the event that the aggregate costs incurred by the Company and HEFT exceed that agreed cap, the AIFM's reimbursement shall be allocated between the two companies *pro rata* to the actual costs incurred and claimed by each of the companies. In such circumstances, the AIFM shall calculate such allocation in good faith.

8 Pre-liquidation interim dividend

As an investment trust, the Company is not permitted to retain more than 15 per cent. of its income in any accounting period. If the Scheme is successful, this condition must be met in the shortened accounting period commencing on 1 August 2023 and ending on the Effective Date. In order to meet this requirement, the Company proposes to pay an interim dividend of 3.50 pence per Ordinary Share to Shareholders on the Register as at 31 May 2024. The Shares are expected to go ex-dividend on 30 May 2024. The expected payment date for the dividend is 19 June 2024.

9 Risk factors

Shareholders are strongly urged to read carefully the risk factors contained in Part 4 of this document which sets out the material risks known to the Directors at the date of this document in relation to the Proposals. **Shareholders are also strongly urged to read the section containing risk factors in the HEFT Prospectus.**

10 Taxation

Shareholders are advised to read carefully the section headed "*UK Taxation*" in paragraph 7 of Part 2 of this document which sets out a general guide to certain aspects of current UK tax law and HMRC published practice.

Please note that nothing in this document constitutes tax advice. Shareholders are strongly advised to consult their own professional advisers as to their tax position.

11 General Meetings

The implementation of the Proposals will require two general meetings of the Company. The notices convening the First General Meeting (to be held at 11.30 a.m. on 20 June 2024) and the Second General Meeting (to be held at 9.30 a.m. on 4 July 2024) are set out at the end of this document.

The Resolutions to be proposed at the General Meetings, on which all Shareholders may vote, are as follows:

11.1 First General Meeting

The resolutions to be considered at the First General Meeting (which will be proposed as special resolutions) will, if passed, approve the terms of the Scheme and associated amendments to the Articles set out in Part 3 of this document, authorise the Liquidators to

enter into and give effect to the Transfer Agreement with HEFT, purchase the interests of any dissentients to the Scheme and authorise the Liquidators to apply to cancel the listing of the Shares 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 in order for it to be passed. The Scheme will not become effective unless and until, *inter alia*, the Resolution to be proposed at the Second General Meeting has also been passed.

11.2 Second General Meeting

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into 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 made at the First General Meeting. The Resolution to be proposed at the Second General Meeting is conditional upon the passing of the Resolutions at the First General Meeting, the HEFT Share Allotment Authority being passed, the approval of the FCA and the London Stock Exchange of the Admission of the New HEFT Shares to the Official List and to trading on the Main Market of the LSE, respectively, and the Directors and the HEFT Directors 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 in order for it to be passed.

12 Action to be taken by Shareholders

Before taking any action, Shareholders are recommended to read the further information set out in this document and in the HEFT Prospectus.

12.1 Elections

The default option under the Scheme is to receive New HEFT Shares meaning that Shareholders who do not make a valid Election for the Cash Option in respect of all of their Shares, or whose elections for the Cash Option are scaled back in accordance with the Scheme, will be deemed to have elected for New HEFT Shares in respect of such holding. If you wish to receive New HEFT Shares in respect of all of your Shares, there is no need to complete and return a Form of Election (which you will receive if you hold your Shares in certificated form) or to submit a TTE Instruction (if you hold your Shares in uncertificated form).

If you wish to receive cash in respect of all or part of your holding of Shares, you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Shares are held) in respect of the number of Shares for which you wish to receive cash. You will be deemed to have elected to receive New HEFT Shares in respect of the remainder of your holding.

Full details of the action to be taken by Shareholders in respect of their Elections are set out in the section of Part 2 of this document titled "*Elections*".

12.2 Voting on the Proposals

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 to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Receiving Agent by one of the following means:

- (a) By logging on to www.investorcentre.co.uk/eproxy and following the instructions; or
- (b) By completing and signing the PINK Form of Proxy for use in relation to the First General Meeting and the GREEN Form of Proxy for use in relation to the Second General Meeting, in accordance with the instructions printed thereon and returning by post, by courier or by hand; or

- (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the respective notices of the General Meetings.

In each case, the proxy appointments must be received by the Receiving Agent as soon as possible and, in any event, no later than 11.30 a.m. on 18 June 2024 in respect of the First General Meeting and no later than 9.30 a.m. on 2 July 2024 in respect of the Second General Meeting.

Completion and return of proxy appointments will not prevent you from attending and voting in person at the General Meetings should you wish to do so.

If any of the Resolutions to be proposed at the General Meetings are not passed, the Proposals will not proceed and the Company will not be wound up. In these circumstances, the Board will reassess the options available to the Company at that time.

12.3 Excluded Shareholders

The attention of Excluded Shareholders is drawn to the paragraph titled “*Excluded Shareholders*” in Part 2 of this document.

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

To the extent that an Excluded Shareholder is entitled to and would otherwise receive New HEFT Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New HEFT Shares will be issued to the Liquidators as nominees for the relevant Excluded Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

US Shareholders

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the US Investor Representation Letter annexed to the HEFT Prospectus and return it to HEFT and Winterflood.

If a US Shareholder does not execute and return a US Investor Representation Letter, the HEFT Board reserves the right, at its absolute discretion, to require any New HEFT Shares to which such Ineligible US Shareholder is entitled and which such Ineligible US Shareholder would otherwise receive under the Scheme to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool. US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call the Registrar, Computershare Investor Services PLC on +44 (0)370 707 1034. Please note that the Registrar cannot give any advice on how US Shareholders should complete the US Investor Representation Letter.

Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Representation Letter.

Non-US Shareholders are deemed to represent to the Company and HEFT that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

Subject to certain exceptions described herein, no action has been taken or will be taken in any jurisdiction other than the UK where action is required to be taken to permit the distribution of this document and/or the HEFT Prospectus. Accordingly, such documents may not be used for the purpose of, and do not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

13 Recommendation

The Board, which has been advised by Deutsche Numis, 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, Deutsche Numis has taken into account the commercial assessment of the Board.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings, which total 339,000 Ordinary Shares (representing 0.16 per cent. of the Company's total voting rights) as at the Latest Practicable Date.

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should elect for any of the options under the Proposals. The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the HEFT Prospectus.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should seek their own personal financial advice from an appropriately qualified independent financial adviser.

Yours sincerely

Nicola Ralston
Chairman

PART 2

FURTHER DETAILS OF THE PROPOSALS

1 Implementation of the Scheme

Subject to the passing of the Resolutions (and satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 3 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Calculation Date, or as soon as practicable thereafter, the Board shall appropriate to the Liquidation Pool such of the cash and other assets of the Company estimated by the Board in consultation with the Liquidators to be sufficient to meet all known and unknown liabilities of the Company and other contingencies, including the costs of the Proposals agreed to be borne by the Company, the Liquidator's retention and the entitlements of any Dissenting Shareholders. Further details of the Liquidation Pool are set out in paragraph 3.2 of Part 3 of this document.

The balance of the cash, undertaking and other assets of the Company will be allocated to the Rollover Pool and the Cash Pool, each of which will represent the respective entitlements of Shareholders to either New HEFT Shares or cash in accordance with the Elections made, or deemed to have been made, under the Scheme.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool shall be transferred to HEFT. In consideration for the transfer of the Rollover Pool to HEFT under the Transfer Agreement, the relevant numbers of New HEFT Shares will be allotted to the Liquidators who will renounce the New HEFT Shares in favour of the Shareholders who elect or are deemed to have elected for the Rollover Option (save that New HEFT Shares issued in favour of Excluded Shareholders shall be held by the Liquidators as the nominees for the relevant Excluded Shareholders).

To the extent that any part of the Liquidation Pool, including the Liquidator's retention, is not subsequently required to discharge the Company's liabilities, it will be distributed in cash to the Shareholders shown on the Register at the Record Date, at the conclusion of the liquidation.

2 Elections

2.1 Shares held in uncertificated form (that is, in CREST)

A Shareholder holding Ordinary Shares in uncertificated form who wishes to make an Election for the Cash Option in respect of all or part of their holding of Ordinary Shares, should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares for which they wish to make an Election for the Cash Option, specifying Computershare in its capacity as a CREST receiving agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the TTE Instruction is received no later than 1.00 p.m. on 27 June 2024.

If you hold Ordinary Shares in CREST but under different member account IDs, you should submit a separate TTE Instruction in respect of each member account ID.

If you are a CREST 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 Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Ordinary Shares.

To make an Election in respect of the Cash Option you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain the following details:

- (a) the ISIN number for the Ordinary Shares. This is GB00BP6QR382;
- (b) the number of Ordinary Shares in relation to the relevant Election;
- (c) your member account ID;
- (d) your participant ID;

- (e) the participant ID of the escrow agent, Computershare, in its capacity as a CREST receiving agent. This is: 3RA12;
- (f) the member account ID of the escrow agent, Computershare. This is: HETSOR01;
- (g) 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;
- (h) 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 no later than 1.00 p.m. on 27 June 2024;
- (i) the standard delivery instruction with Priority 80; and
- (j) the contact name and telephone number inserted in the shared note field.

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

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 Ordinary Shares to settle prior to 1.00 p.m. on 27 June 2024. 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.

2.2 Shares held in certificated form

Shareholders who hold their Shares in certificated form (i.e. not in CREST) who wish to make an Election for the Cash Option in respect of all or part of their holding of Shares should complete and sign the enclosed personalised Form of Election, inserting a cross in Box 2A if they wish to receive their Basic Entitlement under the Cash Option or, if they wish to elect for the Cash Option in respect of more or less than their Basic Entitlement, inserting in Box 2B the total number of Ordinary Shares they wish to elect for the Cash Option, and return the Form of Election using the relevant enclosed reply-paid envelope (for use within the UK only) to the Receiving Agent by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH as soon as possible but, in any event, so as to be received not later than 1.00 p.m. on 27 June 2024. Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

2.3 Scaling back of Elections for the Cash Option

Shareholders are entitled to elect for the Cash Option in respect of more than 15 per cent. of their individual holdings of Ordinary Shares (the “**Basic Entitlement**”, such excess amount being an “**Excess Application**”). However, if aggregate Elections are made for the Cash Option which exceed 15 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications.

3 Settlement and dealings in New HEFT Shares

Applications will be made by HEFT to the FCA and the London Stock Exchange for the New HEFT Shares to be admitted to the Official List and to trading on the Main Market of the London Stock Exchange, respectively. If the Scheme becomes effective, it is expected that the New HEFT Shares will be so admitted and that the first day of dealings will be 5 July 2024.

New HEFT Shares will be issued in registered form and may be held in either certificated or uncertificated form. Shareholders who held their Shares in certificated form at the Record Date and

who have elected (or are deemed to have elected) for New HEFT Shares will receive their New HEFT Shares in certificated form. It is expected that share certificates in respect of such New HEFT Shares will be despatched to the Shareholders entitled thereto by 18 July 2024.

Shareholders who held their Shares in uncertificated form at the Record Date and who have elected (or are deemed to have elected) for New HEFT Shares will receive their New HEFT Shares in uncertificated form on 5 July 2024, although HEFT reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST or of the facilities or system operated by the HEFT Registrar in connection with CREST. HEFT will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New HEFT Shares in uncertificated form.

Fractional entitlements to New HEFT Shares issued pursuant to the Scheme will not be issued and entitlements will be rounded down to the nearest whole number. No cash payment shall be made or returned in respect of any fractional entitlements.

Cheques in respect of the Cash Entitlements due to Shareholders who elect for cash are expected to be despatched to them in the week commencing 8 July 2024. It is expected that Shareholders who hold their Shares in CREST will receive their Cash Entitlements through CREST in the week commencing 8 July 2024.

To the extent that a Shareholder already holds HEFT Shares at the Record Date (and the HEFT Registrar is able to match such holdings), any mandates and instructions in relation to those existing HEFT Shares will also apply to any New HEFT Shares received by that Shareholder under the terms of the Scheme. If you do not wish any mandates and other instructions, including communications preferences that you have given to the Company, to apply to your New HEFT Shares, please contact Computershare on the Shareholder Helpline before the Record Date to amend or withdraw such mandates or instructions.

Existing certificates in respect of Shares will cease to be of tradable value following suspension of dealings in the Shares.

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

4 Excluded Shareholders

The issue of New HEFT Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Shareholders should inform themselves about and observe any legal requirements in the relevant jurisdiction. In particular:

- (a) the New HEFT Shares have not been, and will not be, registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States, and the New HEFT Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act;
- (b) the New HEFT Shares have not been, and will not be, registered under the securities law of any of Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions. Accordingly, the New HEFT Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions;
- (c) there has not been and will be no public offer of the New HEFT Shares in the United States;
- (d) HEFT 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
- (e) 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, or transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange, of the United States (unless an exemption from such legislation or such laws is

available), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions.

It is the responsibility of Shareholders with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New HEFT 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 who are subject to taxation outside the UK should consult their independent financial adviser as soon as possible.

To the extent that an Excluded Shareholder is entitled to and would otherwise receive New HEFT Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, such New HEFT Shares will be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

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

US Shareholders

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

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

Any receipt of cash pursuant to the Scheme by a US Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since HEFT is located in a foreign country, and all of its officers and directors are citizens and residents of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the US Investor Representation Letter annexed to

the HEFT Prospectus and return it to HEFT and Winterflood. If a US Shareholder does not execute and return a US Investor Representation Letter, the HEFT Board reserves the right, at its absolute discretion, to require any New HEFT Shares to which such Ineligible US Shareholder is entitled and which such Ineligible US Shareholder would otherwise receive under the Scheme to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool. US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call the Registrar, Computershare Investor Services PLC on +44 (0)370 707 1034. Please note that the Registrar cannot give any advice on how US Shareholders should complete the US Investor Representation Letter. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Representation Letter.

Non-US Shareholders are deemed to represent to the Company and HEFT that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

5 Dissenting Shareholders

Provided that a Shareholder does not vote in favour of the Resolutions to be proposed at the First General Meeting, such Shareholder may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent to the Liquidators in writing at the registered office of the Company and require the Liquidators to purchase the Shareholder's interest in the Company. The Liquidators will retain an amount of cash, securities and other assets of the Company in the Liquidation Pool which the Liquidators believe is sufficient to purchase the Shares of the 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 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 Net Asset Value per Share and the Liquidators may not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation. Dissenting Shareholders should note that it may take a significantly long period of time for the liquidation process to end and for their Shares to be purchased by the Liquidators.

6 Common Reporting Standards

Investment trusts are required to report the tax residence of their shareholders. Subject to the Scheme becoming effective, those Shareholders of the Company that are not already on the register of HEFT and who hold their New HEFT Shares in certificated form may be sent a document along with their new share certificate in the enlarged HEFT which those Shareholders should complete and return to HEFT or its agent.

7 UK Taxation

The information set out below relates to UK taxation applicable to the Company and its Shareholders who are resident only in the UK for tax purposes and who hold Shares as an investment. Accordingly, 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.

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

Shareholders are advised to consult their professional advisers as to their tax position.

7.1 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 1 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 the day immediately preceding the Effective Date if the Company is placed into members' voluntary liquidation on that day. Furthermore, the proposed method of winding up the Company and the scheme of reconstruction is such that pursuant to regulations 15 and 16 of the Investment Trust (Approved Company) (Tax) Regulations 2011, 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 held within the Rollover Pool and the realisation of the Company's assets held within the Cash Pool and the Liquidation 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 chargeable gains (net of any allowable losses) in that period.

7.2 Shareholders

(a) Reclassified Shares

For the purposes of UK taxation of chargeable gains, a Shareholder should not be regarded as having disposed of their Shares on the reclassification of the Shares 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 should 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.

(b) Cash Option

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

(c) Rollover Option

The Company has been advised that the exchange of Shares with "A" rights for New HEFT 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 New HEFT 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 New HEFT Shares may result in the holder of those new HEFT Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder's particular circumstances.

(d) **Liquidation Pool surplus**

As provided for in paragraph 9 of Part 3 of this document, any remaining balance in the Liquidation Pool after the discharge of the Company's liabilities will be distributed in cash to the Shareholders on the Register on the Record Date.

To the extent that Shareholders receive such a distribution from the Liquidation Pool in respect of their Shares with "A" rights or "B" rights, 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).

(e) **HMRC clearance**

Shareholders are advised that a clearance has been obtained from HMRC pursuant to section 138 of the TCGA that the treatment described above under "Rollover Option" is not to be prevented, by virtue of section 137(1) 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 Corporation Tax Act 2010 should be served in respect of the transaction.

(f) **Dissenting Shareholders**

On Liquidators purchasing 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.

(g) **ISAs and SIPPs**

New HEFT Shares are eligible for inclusion in an ISA or SIPP. Accordingly, where Shares currently held within an ISA or SIPP are exchanged for New HEFT Shares pursuant to the Rollover Option, those New HEFT Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP. Similarly, where cash is received pursuant to the Cash Option in respect of Shares held within an ISA or SIPP, that cash may also generally be retained within the ISA or SIPP.

(h) **Stamp duty and SDRT**

It is not expected that any UK stamp duty or SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company or on the receipt by Shareholders of New HEFT Shares under the Rollover Option. UK stamp duty and SDRT may be incurred by the Company in relation to the realignment of the Company's investment portfolio prior to the Effective Date and by HEFT in relation to the transfer of chargeable assets within the Rollover Pool, in addition to other non-UK transfer taxes that may be payable. Non-UK transfer taxes may also be payable by the Company on the transfer of the assets comprising the Rollover Pool to HEFT.

PART 3

THE SCHEME

1 Definitions and interpretation

Words and expressions defined in Part 7 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 3, any Ordinary 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 3 and shall be treated as if those Ordinary Shares were not in issue.

2 Elections and entitlements under the Scheme

- 2.1 The maximum number of Ordinary Shares (in aggregate) that can be elected for the Cash Option is 15 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Each Shareholder who validly elects to receive the Cash Option in respect of up to 15 per cent. of their individual holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share, will receive the full amount of cash for which they have elected (the “**Basic Entitlement**”). Shareholders are entitled to elect to receive cash in respect of more than 15 per cent. of their individual holdings of Ordinary Shares (such excess amount being an “**Excess Application**”). However, in the event that aggregate Elections are made for the Cash Option which exceed 15 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications such that the aggregate number of Ordinary Shares so elected shall equal 15 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Ordinary Shares which are subject to such scaling back will be deemed to have elected for the Rollover Option.
- 2.2 Subject to the first Resolution contained in the notice of the First General Meeting being passed and becoming unconditional:
- (a) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 3), valid Elections for the Rollover Option will be reclassified as Ordinary Shares with “A” rights; and
 - (b) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 3), valid Elections for the Cash Option will be reclassified as Ordinary Shares with “B” rights.
- 2.3 The rights of the Ordinary Shares following the passing of such Resolution will be the rights as set out in Article 3(c) to be inserted in the Articles pursuant to the first Resolution contained in the notice of the First General Meeting and references to Shareholders will be construed accordingly.
- 2.4 In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in order to repay its existing debt facilities, fund the Liquidation Pool and the Cash Pool and will hold investments suitable for transfer to HEFT by virtue of the Transfer Agreement.
- 2.5 Holders of Reclassified Shares with “A” rights will receive such number of New HEFT Shares as is calculated pursuant to paragraph 8.1 of this Part 3.
- 2.6 Holders of Reclassified Shares with “B” rights will receive the net realisation proceeds of such portion of the Cash Pool to which they are entitled which is expected to be the HNE Cash FAV per Share multiplied by the total number of Reclassified Shares with “B” rights held by them and rounded down to the nearest penny.

3 Apportionment of the Company's total assets

- 3.1 Subject to the Resolutions contained in the notice of the First General Meeting being passed at such meeting and becoming unconditional, on the Calculation Date, or as soon as possible thereafter, the Directors, in consultation with the proposed Liquidators, shall calculate the aggregate value of the total assets of the Company, the Residual Net Asset Value, the HNE Rollover FAV, the HNE Rollover FAV per Share, the HNE Cash Pool FAV and the HNE Cash FAV per Share in accordance with paragraph 4 below.
- 3.2 On the Calculation Date, or as soon as practicable thereafter, the Directors and Janus Henderson, 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:
- (a) first, there shall be appropriated to the Liquidation Pool cash and other assets of 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 3, which is 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 costs and expenses incurred and to be incurred by the Company and the proposed Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents in each case as not otherwise paid prior to the liquidation;
 - b. the costs and expenses incurred and to be incurred by the Company and the Liquidators in preparing and implementing the Transfer Agreement;
 - c. the costs of purchasing (or making provision for the purchase of) the interests of Shareholders who have validly exercised their rights to dissent from the Scheme under section 111 (2) of the Insolvency Act;
 - d. any unclaimed dividends of the Company (so far as not previously paid) and any declared but unpaid dividends of the Company;
 - e. the costs and expenses of liquidating the Company, including the fees and expenses of the Liquidators and the Receiving Agent;
 - f. any unquoted assets in the portfolio of the Company (as applicable and provided such assets shall be valued at nil);
 - g. any tax liabilities of the Company;
 - h. a provision for possible non-receipt of any receivables or contingent assets as at the Calculation Date, where such receivables or contingent assets have been transferred to the Liquidation Pool, including recoveries or refunds of withholding or other taxes; and
 - i. 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 including any VAT in respect thereof; and
- (b) 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 (a) above, on the following basis:
- a. there shall first be appropriated to the Cash Pool such proportion of the cash as shall equal the HNE Cash Pool FAV as set out in paragraph 3.4 of this Part 3; and
 - b. there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and assets of the Company, including, for the avoidance of doubt, the benefit of the Cash Option Discount and HNE's portion of the Janus Henderson Contribution to ensure that the Proposals are cost-neutral for continuing

shareholders in the Combined Trust, as the Company, acting by its proposed Liquidators in consultation with the other parties to the Transfer Agreement, shall determine as being suitable for the purpose, and so as not to cause any infringement of the investment objective and investment policy of HEFT.

- 3.3 The Residual Net Asset Value shall be equal to the gross assets of the Company as at the Calculation Date (calculated in accordance with the Company's normal accounting policies) less the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders) but excluding any adjustment for the benefit of the Janus Henderson Contribution.
- 3.4 The HNE Cash Pool FAV shall be equal to the Residual Net Asset Value multiplied by the proportion of Reclassified Shares with "B" Rights to the total number of Reclassified Shares, minus 2 per cent. (the "**Cash Option Discount**"). The HNE Cash FAV per Share (expressed in pence) shall be equal to the HNE Cash Pool FAV divided by the total number of Reclassified Shares with "B" rights, and rounded down to six decimal places.
- 3.5 The HNE Rollover FAV shall be equal to the difference between the Residual Net Asset Value and the HNE Cash Pool FAV and adjusted to include the benefit of HNE's portion of the Janus Henderson Contribution to ensure that the Proposals are cost-neutral for continuing shareholders in the Combined Trust. The HNE Rollover FAV per Share (expressed in pence) shall be equal to the HNE Rollover FAV divided by the total number of Reclassified Shares with "A" rights, and rounded down to six decimal places.
- 3.6 Interest, income and other rights or benefits accruing in respect of any of the 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 at any time and date at which the calculation of value is required by the Scheme, the assets and liabilities of the Company shall be valued on the following basis:
 - (a) 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 date on which the relevant stock exchange was open for business;
 - (b) unlisted 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 and any unquoted or hard to value assets shall be valued at nil;
 - (c) cash and deposits with, or balances at, a bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs (a) or (b) 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);
 - (d) 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 (a) and (b) 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 discount to reflect the time value of money) as may be determined by the Directors;
 - (e) 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

(f) 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 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, the Company 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 Company, the Directors, the AIFM, the Investment Manager, HEFT, the HEFT Directors nor 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.

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 HEFT (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 Receiving Agent, of the names and addresses of each holder of Reclassified Shares with “A” rights and the number of Reclassified Shares with “A” rights held by each of them.

6 Transfer of assets and liabilities

- 6.1 On the Effective Date, or as soon as practicable thereafter, HEFT and 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 HEFT (or its nominee), in consideration for the allotment of New HEFT Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with “A” rights on the basis referred to in paragraph 8 below.
- 6.2 The Transfer Agreement provides that the assets to be transferred to HEFT 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 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 (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting through the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by HEFT (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to HEFT 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 Receiving Agent and pursuant to the Scheme, in cash to each such holder who has elected for the Cash Option in proportion to its respective holding of Reclassified Shares with “B” rights.

8 Issue of New HEFT Shares

- 8.1 In consideration for the transfer of the Rollover Pool to HEFT in accordance with paragraph 6 above, the New HEFT Shares shall be issued to holders of Ordinary Shares with “A” rights on

the basis that the number of such shares to which each such holder is entitled shall be determined in accordance with the following formula (rounded down to the nearest whole number of HEFT Shares):

$$\text{Number of HEFT Shares} = \frac{A}{B} \times C$$

where:

A is the HNE Rollover FAV per Share (as at Calculation Date);

B is the HEFT FAV per Share (as at Calculation Date); and

C is the aggregate number of Reclassified Shares with "A" rights held by the relevant Shareholder.

- 8.2 No value shall be attributable to Ordinary Shares held in treasury by the Company. Fractions of New HEFT Shares will not be issued under the Scheme and entitlements to such New HEFT Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of holders of Reclassified Shares with "A" rights and whose holding of New HEFT Shares is rounded down shall be retained by HEFT and represent an accretion to its assets.
- 8.3 The New HEFT Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid, to the Liquidators (as nominees for the Shareholders entitled thereto) as soon as practicable after the delivery to HEFT (or its nominee) of the particulars referred to in paragraph 5 above, whereupon the Liquidators will renounce the allotments of New HEFT Shares in favour of Shareholders entitled to them under the Scheme. On such renunciation, HEFT will issue the New HEFT Shares to the Shareholders entitled thereto. HEFT shall:
- (a) in the case of the New HEFT Shares issued in certificated form, arrange for the despatch of certificates for such shares issued under the Scheme to the Shareholders entitled thereto at their respective addresses in the Register (and, in the case of joint holders, to the address of the first-named) or to such other person and address as may be specified by such persons in writing, in each case at the risk of the persons entitled thereto; and
 - (b) in the case of the New HEFT Shares issued in uncertificated form, procure that Euroclear is instructed on the Business Day following the Effective Date (or as soon as practicable thereafter) to credit the appropriate stock accounts in CREST of the Shareholders entitled thereto with their respective entitlements to New HEFT Shares issued under the Scheme.
- 8.4 HEFT shall be entitled to assume that all information delivered to it in accordance with paragraph 8.3 above is correct and to utilise the same in procuring registration in the HEFT register of members of the holders of the New HEFT Shares issued under the Scheme.

9 Application of 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 (excluding Ordinary Shares held in treasury) (in each case being those Shareholders on the Record Date in proportion to the respective holdings of Ordinary Shares on the Record Date) provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to Shareholders but instead shall be retained by the Company and sent to charity. The Liquidators will also be entitled to make interim payments to Shareholders in proportion to their holdings of Ordinary Shares. The Liquidators shall 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. For these purposes, any Ordinary Shares held by Dissenting Shareholders will be ignored.

10 Forms of Election

For the purposes of the Forms of Election, the provisions of which form part of the Scheme:

- (a) if, on any Form of Election, the total of a Shareholder's Election is greater than their actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election shall be decreased, 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 for all purposes of this Scheme;
- (b) if, on any Form of Election, the total of a Shareholder's Elections is less than their actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder will be deemed to have elected for the Rollover Option;
- (c) a Shareholder who makes no Election by the due date, or in respect of whom no Form of Election has been duly and 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;
- (d) 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, 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
- (e) any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election shall be 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 AIFM, the Investment Manager, the HEFT Directors and HEFT shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them (as the case may be) in connection with the 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 AIFM, the Investment Manager, HEFT, the HEFT Directors (or any of them), or the Receiving Agent, auditors, bankers, managers, custodians 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, HEFT or any HEFT Shareholder.

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 either of them save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of HEFT.

14 Conditions

14.1 The Scheme is conditional upon:

- (a) the recommendation of the boards of the Company and HEFT to proceed with the Proposals which may be withdrawn at any time;
- (b) the HEFT Share Allotment Authority being approved by HEFT Shareholders and not having been revoked or superseded;

- (c) passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting or any adjournment of those meetings and upon any conditions of such Resolutions being fulfilled; and
- (d) the Financial Conduct Authority having acknowledged to HEFT or its agents (and such acknowledgement not having been withdrawn) that the application for the admission of the New HEFT Shares to the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (“listing conditions”)) will become effective as soon as notice of admission to the Official List has been issued by the Financial Conduct Authority and any listing conditions having been satisfied and the London Stock Exchange having acknowledged to HEFT or its agents (and such acknowledgement not having been withdrawn) that the New HEFT Shares will be admitted to trading on the Main Market, subject only to allotments.

14.2 In the event that any of the conditions in paragraph 14.1 fails to be satisfied (other than in relation to the Resolution to be proposed at the Second General Meeting), 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 HEFT on or before 31 July 2024, the Scheme shall not become effective.

14.6 An application will be made to the Financial Conduct Authority 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 4 July 2024 and it is intended that, subject to paragraph 14.1, such listing will be cancelled with effect from or as soon as possible after the Effective Date, or such other date as the Liquidators will determine.

15 Excluded Shareholders

15.1 Any New HEFT Shares allotted to the Liquidators and which would otherwise be issued to an Excluded Shareholder pursuant to the Scheme will instead be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded Shareholders and the value of the Shares held by the relevant Excluded Shareholders), in circumstances in which the Liquidators and/or HEFT acting reasonably consider that notwithstanding that Excluded Shareholder’s entitlement to such New HEFT Shares under the Scheme, any such issue of New HEFT Shares to that Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or if the Liquidators and/or HEFT reasonably believes that the same may violate any applicable legal or regulatory requirements or may require HEFT to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Liquidators and/or HEFT, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Excluded Shareholders are permitted to hold New HEFT Shares under any relevant securities laws or regulation of such overseas jurisdictions (or that HEFT would not be subject to any additional regulatory requirements to which it would not be subject but for such issue). The net proceeds of such sales (after deduction of any costs incurred in effecting such sales) will be paid: (i) to the relevant Excluded Shareholders entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per Excluded Shareholder will be retained in the Liquidation Pool; and (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

- 15.2 Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute a US Investor Representation Letter annexed to the HEFT Prospectus and return it to HEFT and Winterflood. If you have any queries relating to the submission of the US Investor Representation Letter, please contact Computershare at HEFTOffer@computershare.co.uk or call 0370 707 1034.
- 15.3 The Company and HEFT reserve the right, in their absolute discretion, to investigate in relation to US Shareholders, whether the representations and warranties set out in the US Investor Representation Letter appended to the HEFT Prospectus given by any US Shareholder are correct. Furthermore, if a US Shareholder does not execute and return the US Investor Representation Letter and the Company and the HEFT Board believes such person is an Ineligible US Shareholder, the HEFT Board reserves the right, in its absolute discretion, to require any New HEFT Shares to which such Ineligible US Shareholder is entitled and would otherwise receive, to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholders and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool.
- 15.4 Non-US Shareholders are deemed to represent to the Company and HEFT that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).
- 15.5 The provisions of this Scheme relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Directors and the HEFT Directors in their respective absolute discretions.

16 General

- 16.1 Any instructions for the payment of dividends on Ordinary Shares in force on the Effective Date and lodged with the Company and/or the Receiving Agent shall, unless and until revoked by notice in writing to the Receiving Agent, continue to apply in respect of distributions or allocations of, or the other application of, monies under the Scheme or in respect of the issue of New HEFT Shares under the Scheme. To the extent that a Shareholder already holds HEFT Shares at the Record Date (and the HEFT Registrar is able to match such holdings), any mandates and instructions in relation to those existing HEFT Shares will also apply to any New HEFT Shares received by that Shareholder under the terms of the Scheme. If you do not wish any mandates and other instructions, including communications preferences that you have given to the Company, to apply to your New HEFT Shares, please contact Computershare on the Shareholder Helpline before the Record Date to amend or withdraw such mandates or instructions.
- 16.2 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 5 per cent. in nominal value of the issued Ordinary Shares, 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).
- 16.3 Ordinary Shares which are held in treasury by the Company shall not have any entitlements under the Scheme.
- 16.4 The Scheme shall be governed by, and construed in accordance with, the laws of England.

PART 4

RISK FACTORS

The risks referred to below are the material risks known to the Directors at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolution(s). Any investment in the Combined Trust (pursuant to the Scheme or otherwise) will be governed by the HEFT Prospectus and the HEFT Articles. Shareholders are strongly urged to read the HEFT Prospectus, and, in particular the section containing the risk factors contained therein. Shareholders in any doubt as to the contents of this document or as to what action to take, should consult an appropriately qualified independent adviser without delay.

The Scheme

Implementation of the Proposals is conditional, among other things, upon the Resolutions being passed at the General Meetings and the passing of the HEFT Share Allotment Authority at the HEFT General Meeting. In the event that any of the conditions of the Proposals is not met, the Proposals will not be implemented. The Directors may then consider alternative options for the future of the Company, which may result in additional costs being incurred.

In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the business carried on by the Company in order to repay its existing debt facilities, fund the Cash Option and fund the Liquidation Pool. If the Scheme fails to proceed, a portion of the Company's portfolio may therefore be held as assets which may need to be reinvested or realigned and in a rising market the loss of gearing would be a drag on returns and the portfolio will no longer be geared. As a result, the Company may incur additional reinvestment or realignment costs if the Scheme does not proceed and such costs will be borne by the Company.

Shareholders' illustrative entitlements set out in Part 1 of this document should not be regarded as forecasts. The HNE Rollover FAV per Share, the HEFT FAV per Share and the HNE Cash FAV per Share and Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments.

If a Shareholder wishes to elect for more than their Basic Entitlement and total Elections for the Cash Option made by all Shareholders are greater than 15 per cent. of the total issued Ordinary Shares (excluding Ordinary Shares held in treasury) at the Calculation Date, then such Shareholder's Election will be scaled back resulting in such Shareholder (other than an Excluded Shareholder) receiving New HEFT Shares instead of cash in respect of part of their holding of Ordinary Shares.

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. The realisation value of a Share is expected to be below the unaudited cumulative NAV per Share and the Liquidators may not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation.

Risks associated with the Combined Trust

Any investment in the New HEFT Shares issued by the Combined Trust will be governed by the HEFT Prospectus and the HEFT Articles. Shareholders should read the full text of the HEFT Prospectus, including the section containing risk factors.

An investment in the Combined Trust will involve exposure to those risks normally associated with investment in shares. Shares in the Combined Trust are designed to be held over the long-term and may not be suitable as short-term investments. The value of an investment in the Combined Trust and the income derived from it, if any, may go down as well as up. There can be no guarantee that any appreciation in the value of the Combined Trust's investments will occur and investors may not

get back the full value of their investment. There can be no guarantee that the investment objective of the Combined Trust will be achieved or provide the returns sought.

Shareholders should note that the Proposals are not conditional on the adoption of the New HEFT Investment Policy by HEFT Shareholders at the HEFT General Meeting. In the event that the Proposals become effective but the resolution to adopt the New HEFT Investment Policy is not passed at the HEFT General Meeting, the Combined Trust's investment policy will be the same as HEFT's current investment policy, which is set out in full in the HEFT Prospectus. However, both HEFT's current investment policy and the proposed new investment policy of the Combined Trust require Continental European listed stocks to represent not less than 80% of NAV at the time of investment.

The past performance of HEFT and of Janus Henderson Investors is not a guide to future performance of the Combined Trust. An investment in the Combined Trust 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).

The performance of the Combined Trust will be substantially dependent on the performance of the securities held within its portfolio.

The Combined Trust may use gearing to seek to enhance investment returns. The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The Combined Trust will have a board of non-executive directors and no employees. The Combined Trust will therefore be dependent on the skills and experience of the Investment Manager to manage its investments. If the Investment Manager ceases to act as the Combined Trust's investment manager or if key personnel cease to remain with the Investment Manager or be involved in the management of the Combined Trust's portfolio, there is no assurance that suitable replacements will be found. If this occurs there may be an adverse effect on the performance of the Combined Trust's portfolio and the value of the HEFT Shares.

HEFT is a closed-ended vehicle. Accordingly, Shareholders will have no right to have their New HEFT Shares repurchased at any time. Shareholders wishing to realise their investment in the Combined Trust will therefore generally be required to dispose of their New HEFT Shares in the market. Although the New HEFT Shares will be listed on the Official List and admitted to trading on the Main Market, there can be no guarantee that a liquid market in the HEFT Shares will exist or be maintained. Accordingly, Shareholders may be unable to realise their New HEFT Shares at the quoted market price (or at the prevailing NAV per New HEFT Share).

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as the NAV per share. The share price can therefore fluctuate and may represent a discount or premium to the NAV per HEFT Share. This discount or premium is itself variable as conditions for supply and demand for New HEFT Shares change. This can mean that the HEFT Share price can fall when the NAV per share rises, or *vice versa*.

Taxation

Representations in this document relating to 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 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 has also advised that no counteraction notice under section 698 of the Income Tax Act 2007 or under section 746 of the Corporation Tax Act 2010 should be served in respect of the transaction.

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

The Directors have 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 held within the Rollover Pool and the realisation of the Company's assets held within 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 chargeable gains (net of allowable losses) in that period.

US Shareholders

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

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

Any receipt of cash pursuant to the Scheme by a US Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since HEFT is located in a foreign country, and all of its officers and directors are citizens and residents of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

PART 5

FURTHER INFORMATION ON HEFT AND THE COMBINED TRUST

Any investment in HEFT will be governed by the HEFT Prospectus which is available at www.henderson-european-focus.com. Accordingly, Shareholders are required to read the HEFT Prospectus and in particular the risk factors contained therein. Neither the Board (other than those Directors who are expected to join the HEFT Board on the Effective Date) nor the Company takes any responsibility for the contents of the HEFT Prospectus.

1 Introduction and history

HEFT is a closed-ended investment company incorporated on 20 January 1947 in England and Wales with registered number 00427958 and registered as an investment company under section 833 of the Act. HEFT carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.

As at the Latest Practicable Date, HEFT had 212,768,122 ordinary shares in issue (excluding treasury shares), a market capitalisation of approximately £411.7 million, a Net Asset Value of approximately £454.5 million and a Net Asset Value per share of 213.6 pence.

Applications will be made to the London Stock Exchange for the New HEFT Shares to be issued pursuant to the Scheme to be admitted to the Official List of the Financial Conduct Authority and to trading on the Main Market.

Following completion of the merger of interests of HNE and HEFT, it is intended that the Combined Trust will be renamed as Henderson European Trust plc.

2 Investment management arrangements

Janus Henderson Fund Management UK Limited (the “AIFM”) will continue to be appointed as alternative investment fund manager to the Combined Trust. The AIFM delegates the provision of investment management services to Janus Henderson Investors, a global asset management firm which, together with its affiliates, has over £250 billion under management. The AIFM manages 11 investment trusts. Both the AIFM and Janus Henderson Investors are wholly owned subsidiaries of Janus Henderson Group plc and are authorised and regulated by the FCA.

The Combined Trust will be co-managed by Jamie Ross and Tom O’Hara, currently lead and co-lead portfolio managers of HNE and HEFT, respectively. HNE has been managed solely by Jamie Ross since 2019. Tom O’Hara has co-managed HEFT’s portfolio since 2020.

Jamie Ross is a Portfolio Manager on the European Equities Team at Janus Henderson, a position he has held since 2016. He was appointed as a joint Portfolio Manager for HNE in 2018 and became sole manager in 2019. Prior to this, he was a Portfolio Manager on the UK Equities Team, where he co-managed a UK equities pooled fund. Before that, he was an assistant portfolio manager on the Pan European Equities Team. He started his career with Henderson in 2007.

Jamie graduated with a BA degree (Hons) in economics from Durham University. He holds the Chartered Financial Analyst designation and has 17 years of financial industry experience.

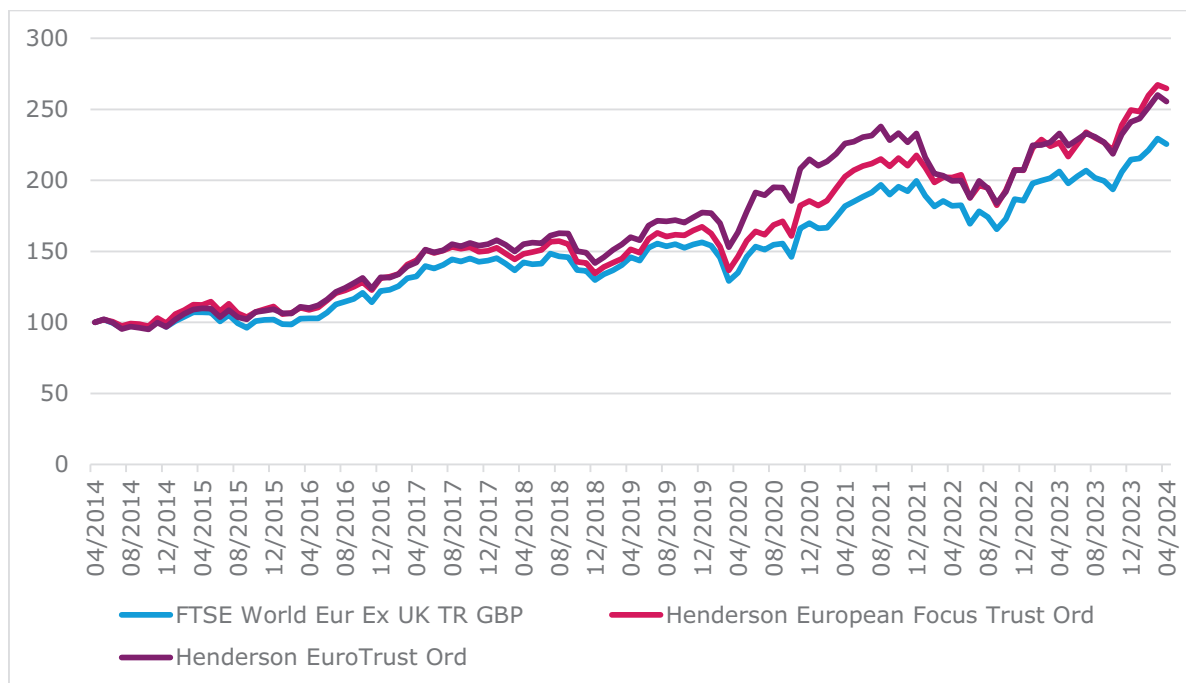
Tom O’Hara is a Portfolio Manager on the European Equities Team at Janus Henderson, a position he has held since 2020. Before joining the firm as a research analyst in 2018, Tom was an equity research analyst specialising in metals and mining with Exane BNP Paribas from 2016. He held similar mining and steel sector positions with Redburn (Europe) Limited from 2013 and with Citigroup Global Markets from 2010. Before Citigroup, Tom was a metals analyst with Metal Bulletin Research from 2008. He began his career in 2006 in the treasury department of Northern Rock plc.

Tom received his BA degree (Hons) in economics from Newcastle University. He has 18 years of financial industry experience.

3 Performance track record

The Combined Trust will measure performance against the FTSE World Europe (Ex UK) Index in sterling terms. There is no historic performance of the Combined Trust to refer to, but the 10-year performance track record (on a total return basis) to 30 April 2024 of HEFT (co-managed by Tom O'Hara) and HNE (managed by Jamie Ross) is shown in the chart below.

10 year cumulative performance to 30 April 2024



Note: Jamie Ross start date 05/10/2018 on Henderson EuroTrust plc and Tom O'Hara start date 31/01/2020 on Henderson European Focus Trust plc.

Sources: LSEG Datastream, Janus Henderson Analysis, as at 30 April 2024. NAV total return in GBP. Rebased to 100, Morningstar.

4 Investment objective and policy

Subject to the adoption of the New HEFT Investment Policy by the HEFT Shareholders at the HEFT General Meeting, the investment objective and policy of the Combined Trust will be as follows:

Investment objective

The Combined Trust aims to maximise total return from a portfolio of stocks predominantly listed in Europe (excluding the UK).

Investment policy

Asset allocation

The portfolio is predominantly invested in stocks listed in Europe (excluding the UK) and has a bias to larger capitalised companies but may, within limits, be invested in the stocks of mid and smaller capitalised companies or in companies listed elsewhere, including the UK.

Stock selection is not constrained by the benchmark and the stock weighting in the portfolio may be materially higher or lower than the weighting of any index used for performance comparisons, including in respect of geographical allocation.

Actual weightings of stocks held in the Combined Trust's portfolio are based upon the Investment Manager's views of total return prospects.

The Combined Trust has adopted the following limits:

- The portfolio will contain between 35 and 45 stocks.
- European (excluding the UK) listed stocks will consist of not less than 80% of net asset value ("NAV") at the time of investment.

- The Combined Trust will not hold more than 10% of the share capital of any company at the time of investment.
- The portfolio has a maximum single stock weighting of 10% of NAV of the portfolio at the time of investment.
- Exposure to smaller companies (with a market capitalisation of less than €1 billion) is limited to 10% of NAV at the time of investment.
- The portfolio is not constructed with a yield target.

The Combined Trust may use financial instruments, known as derivatives, for the purpose of investment and for efficient portfolio management for up to 10% of NAV at the time of entering into the contract.

Gearing

The Combined Trust can borrow with the aim of achieving a return that is greater than the cost of the borrowing. The Combined Trust can borrow up to 20% of NAV at the time the borrowing is assumed.

Other restrictions

It is the Combined Trust's policy to invest no more than 15% of its total assets in other listed closed-ended investment funds.

Shareholders should note that the Proposals are not conditional on the adoption of the New HEFT Investment Policy by HEFT Shareholders at the HEFT General Meeting. In the event that the Proposals become effective but the resolution to adopt the New HEFT Investment Policy is not passed at the HEFT General Meeting, the Combined Trust's investment policy will be the same as HEFT's current investment policy, which is set out in full in the HEFT Prospectus. However, both HEFT's current investment policy and the proposed new investment policy of the Combined Trust require Continental European listed stocks to represent not less than 80% of NAV at the time of investment.

5 Investment strategy

The Combined Trust will seek to produce a total return above that of its benchmark index (FTSE World Europe (Ex UK) in sterling terms) over the medium to long term. The Combined Trust will aim to deliver this outcome by investing primarily in the shares of businesses listed in Europe, excluding the UK. There will be no consistent style bias to the portfolio; instead the Investment Manager will position the portfolio to reflect its current view on where the most attractive investments lie and will be agnostic towards style.

The Investment Manager believes that the most attractive long-term risk-adjusted returns will be generated by investing in 'good companies' without overpaying at the point of investment. Particular attention will be placed on frequent meetings with management teams, with the aim of identifying those with a track record of sensible capital allocation (investments where the value added to the overall business significantly exceeds the amount invested).

A stock picking approach with a thematic overlay

The fund managers will follow a predominantly bottom-up analytical approach where investments are selected following a fundamental analysis of the prospects for the business, the price being paid at the point of investment and the operational momentum of the company in question. The fund managers look for companies that have an established global franchise, evidence of pricing power and enduring competitive advantage versus industry peers. The relationship the fund managers form with company management teams is especially important; the fund managers want to invest alongside managers they believe in. Interactions and dialogue with management teams enables the fund managers to detect moments of change within businesses and industries which, the fund managers believe, provides a competitive advantage.

Macroeconomic developments, such as the fluctuations of the interest rate and inflation cycle, are also considered important to the investment process. In addition, the fund managers look to identify and benefit from some of the long-term structural themes that permeate equity markets and can drive multi-year performance trends. These structural themes are not prescribed in the investment

process and can change from period to period depending on the fund managers' views on the investment environment.

A total return focus

The fund managers' focus is on delivering above-market total return over the medium to long term. It is expected that the majority of total return will be driven by capital appreciation, but income generation will also contribute over time.

A concentrated, 'best ideas' approach

The fund managers' investment conviction typically results in a reasonably concentrated portfolio. This is expected to be achieved through investing in between 35 and 45 companies at any point in time, and no single investment accounting for more than 10% of NAV at the point of investment. The fund managers see their investible universe as comprising approximately 500 larger capitalised companies listed in Europe. They may also invest in companies of mid and smaller capitalised companies or in companies listed elsewhere, including the UK with limits and with sufficient liquidity to enter and exit a position. Thus, of these 500 companies, the Combined Trust expects to have investments in fewer than 10% of them at any point in time.

The fund managers will not target an average holding period, but typically, their fundamental research process is based around identifying undervalued securities where the expectation is that the share price will move to correct this mispricing within approximately three years on average. This longer-term approach goes hand in hand with looking to back management teams with a similarly long-term focus.

Pragmatic diversification and approach to risk

The fund managers do not target a specific level of tracking error when thinking about risk tolerance. Instead, they focus on the risk of a permanent loss of capital in each position that they have an investment in, as well as an analysis of the portfolio's overall level of exposure to certain themes, sectors, and type of company. The fund managers are index aware (and the Combined Trust will measure performance against the FTSE World Europe (Ex UK) Index in sterling terms) but are willing to invest with significant differences in sector and stock weightings versus the index, so long as they perceive the overall portfolio to be appropriately diversified.

A focus on Europe's global champions

The fund managers believe that Europe is currently home to a number of outstanding companies. For example, the fund managers' current assessment is that Novo Nordisk is the global market leader in diabetes and weight loss innovation; a group of semi-conductor equipment companies such as BE Semiconductors, ASM International and ASML are best-in-class; as are a number of companies at the forefront of artistic innovation in the luxury goods sector.

6 Dividend policy

If the Scheme becomes effective, the Combined Trust intends to adopt a policy of paying interim and final dividends, with the aim of maintaining dividend levels and growing them when net income permits. However, total return will continue to be the primary focus.

7 ESG policy

The Combined Trust will not qualify under Article 8 of the EU Sustainable Finance Disclosure Regulation. Certain investment restrictions implemented by HNE in order to promote environmental, social and governance ("ESG") characteristics, including climate change mitigation and health & wellbeing, are not included in the investment policy of the Combined Trust. However, the Combined Trust will continue to apply a responsible ESG policy to investing, an approach that shareholders in both HNE and HEFT are familiar with. The Combined Trust will operate within the parameters of the Investment Manager's ESG investment policy. This approach is consistent with investing in European companies with sustainable business models and good corporate governance.

8 Discount/premium management policy

The Combined Trust intends to adopt the following discount/premium management policy:

The board of the Combined Trust will monitor the premium/discount to NAV at which the HEFT Shares trade and will introduce five-yearly conditional performance-related tender offers (detailed below) as well as considering the use of share buybacks and issuance where appropriate and subject to prevailing market conditions.

If the Scheme becomes effective, a performance-related conditional tender offer will be made to shareholders for up to 25 per cent. of the Combined Trust's outstanding share capital (excluding treasury shares), at NAV less costs and less a discount of 2 per cent. if, over the five years to 30 September 2029 (and over subsequent five-year periods to 30 September 2034 and beyond), the Combined Trust's NAV per share total return does not equal or exceed the total return of the benchmark (the FTSE World Europe (Ex UK) Index). The NAV per share total return (calculated in accordance with the Combined Trust's normal accounting policies) will be adjusted to remove the impact of the tender offers themselves. If a tender offer was triggered, it would be subject to shareholder approval at the relevant time and legal and regulatory requirements.

In addition to the commitment of a five-yearly performance-related tender offer if the Scheme becomes effective, the board of the Combined Trust will consider, at its discretion, subject to normal market conditions and no earlier than after an initial three year period, whether it would be in the long term interests of HEFT Shareholders as a whole to be offered additional opportunities to realise some of their investment in the Combined Trust. The board of the Combined Trust's consideration will, alongside other factors, recognise the importance to shareholders that the Combined Trust's shares should not persistently trade at a significant discount to NAV in absolute terms or relative to the Combined Trust's peer group.

9 Management fees and ongoing expenses

The Combined Trust will benefit from improved management fee terms, with management fees to be charged on the following basis: 0.600% per annum of the Net Asset Value up to, but excluding, £500 million; 0.475% per annum of the Net Asset Value equal to and in excess of £500 million and up to, but excluding, £1 billion; and 0.450% per annum of the Net Asset Value equal to and in excess of £1 billion. This compares with the current structure of both HEFT and HNE of 0.65% per annum of the Net Asset Value up to £300 million and 0.55% per annum of the Net Asset Value in excess of £300 million.

The Proposals will reduce fixed costs proportionately and, along with the revised management fees, produce a competitive OCR for the Combined Trust estimated to be approximately 0.70 per cent.³ compared to HEFT's current OCR of 0.80 per cent. and HNE's of 0.79 per cent.

10 Board of the Combined Trust

The Chair of HEFT, Vicky Hastings, will remain as Chair of the Combined Trust. The other board members will be Robin Archibald, Marco Bianconi, Melanie Blake, currently directors of HEFT, and Katya Thomson, Stephen King and Rutger Koopmans, currently directors of HNE.

Following completion of the Scheme, it is intended that the size of the Combined Trust's board will reduce to five directors over the next two years as those directors with the longest tenure step off the board.

11 General

Further details of HEFT, the New HEFT Shares and the proposals for the Combined Trust are set out in the HEFT Prospectus.

³ This figure is an estimate, which is subject to change. The actual OCR will depend on subsequent movements in costs and net assets.

PART 6

ADDITIONAL INFORMATION

1 Transfer Agreement

Provided that the Scheme is approved by Shareholders and becomes effective, the Company (acting through the Liquidators) will enter into the Transfer Agreement with the Liquidators and HEFT pursuant to the Scheme. The Transfer Agreement is, at the date of this document, in a form agreed between the Company, the Liquidators and HEFT. The Transfer Agreement provides for the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to HEFT (or its nominee), in consideration for the allotment of New HEFT Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 of Part 3 of this document.

The Transfer Agreement excludes certain liability on the part of the Liquidators for entering into or carrying into effect the Transfer Agreement, save for customary carve-outs.

The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

2 Dissenting Shareholders

The Scheme is a reconstruction to which section 111(2) of the Insolvency Act applies. Under section 111(2) 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. If Dissenting Shareholders validly exercise their rights under section 111 in respect of more than 5 per cent. of, in aggregate, the issued Ordinary Share capital of the Company, the Directors have discretion under the Scheme to decide that the Scheme should not proceed.

The Liquidators may, at their discretion, abstain from implementing the Scheme or else purchase the interest(s) of the Dissenting Shareholder(s). The purchase price for such Dissenting Shareholders' Ordinary Shares will not exceed that which the Dissenting Shareholder(s) would receive on a straightforward winding-up of the Company and may only be paid once all liabilities have been settled or provided for to the Liquidators' satisfaction.

3 Miscellaneous

- 3.1 Deutsche Numis has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 3.2 The Liquidators have given and not withdrawn their written consent to the inclusion of their names and references to them in this document in the form and context in which they appear.
- 3.3 As at the close of business on 16 May 2024, the Company held 200,000 Ordinary Shares in treasury (representing approximately 0.09 per cent. of the issued share capital of the Company).

4 Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company until the Effective Date:

- (a) the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
- (b) the HEFT Prospectus;
- (c) the HEFT KID;
- (d) the HEFT pre-investment disclosure document;
- (e) the HEFT Articles;

- (f) letters of undertaking from the Liquidators, HEFT and the Company to enter into the Transfer Agreement;
- (g) the Transfer Agreement, in a form agreed between the Company, the Liquidators and HEFT at the date of this document;
- (h) the letters of consent from Deutsche Numis and the Liquidators referred to in paragraphs 3.1 and 3.2 above; and
- (i) this document.

The Articles of Association of the Company (including the articles of association of the Company containing the full terms of the amendments proposed to be made) will 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 from the date of this document.

20 May 2024

PART 7

DEFINITIONS

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

“A” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Rollover Option;
Admission	the admission of the New HEFT Shares to be issued pursuant to the Scheme to listing on the Official List and to trading on the Main Market;
AIFM	Janus Henderson Fund Management UK Limited, the Company's and HEFT's alternative investment fund manager;
Articles or Articles of Association	the articles of association of the Company;
“B” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Cash Option;
Basic Entitlement	means, subject to the Scheme becoming effective in accordance with its terms, the entitlement of each Shareholder to elect for, and have accepted in full an election for, the Cash Option in respect of up to 15 per cent. by number of its holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share;
Board or Directors	the board of directors of the Company;
Business Day	a day on which the London Stock Exchange is open for business;
Calculation Date	the time and date to be determined by the Directors and the HEFT Directors (but expected to be close of business on 27 June 2024), 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 Net Asset Value, the HNE Rollover FAV, the HNE Rollover FAV per Share, the HEFT FAV per Share, the HNE Cash Pool FAV and the HNE Cash FAV per Share will be calculated for the purposes of the Scheme;
Cash Entitlement	in respect of any Shareholder who elects for the Cash Option and to the extent that Election is accepted, an amount equal to such Shareholder's entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme, with entitlements being rounded down to the nearest penny;
Cash Option	the option for Shareholders to elect to receive cash under the terms of the Scheme, as described in this document;
Cash Option Discount	2 per cent.;
Cash Pool	the pool of cash attributable to the Reclassified Shares with “B” rights;
certificated or in certificated form	a share that is not in uncertificated form;
Combined Trust	the enlarged HEFT following completion of the Proposals, intended to be renamed Henderson European Trust plc;
Companies Act	the Companies Act 2006, as amended from time to time;
Company or HNE	Henderson EuroTrust plc;
Company Secretary	Janus Henderson Secretarial Services UK Limited;

CREST	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
CREST Manual	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time;
Deutsche Numis	the trading name of Numis Securities Limited which is authorised and regulated by the FCA with firm reference number 144822;
Dissenting Shareholder	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act;
EEA	the European Economic Area;
Effective Date	the date on which the Scheme becomes effective, which is expected to be 4 July 2024;
Election	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 ” or “ election ” shall, except where the context requires otherwise, mean “ elect, or deemed to elect ” or “ election or deemed election ”, respectively;
Eligible US Shareholder	a US Shareholder who is not an Ineligible US Shareholder;
Euroclear	Euroclear UK and International Limited in its capacity as the operator of CREST;
Excess Application	that portion of an Election by a Shareholder for the Cash Option that exceeds that Shareholder’s Basic Entitlement;
Excluded Shareholders	Overseas Shareholders and Sanctions Restricted Persons;
FAV	formula asset value;
Financial Conduct Authority or FCA	the United Kingdom Financial Conduct Authority or any successor entity or entities;
First General Meeting	the general meeting of the Company convened for 11.30 a.m. on 20 June 2024 (or any adjournment thereof) notice of which is set out from page 48 of this document;
Form of Election	the personalised form of election for use by Shareholders holding their Shares in certificated form;
Form(s) of Proxy	the personalised form(s) of proxy for use by Shareholders in connection with the General Meetings;
FSMA	the Financial Services and Markets Act 2000, as amended;
General Meeting	the First General Meeting or the Second General Meeting, as the context may require and “ General Meetings ” means the First General Meeting and the Second General Meeting;
HEFT	Henderson European Focus Trust plc;
HEFT Articles	the articles of association of HEFT;
HEFT Board or HEFT Directors	the board of directors of HEFT;
HEFT FAV	the HEFT Net Asset Value at the Calculation Date in accordance with its normal accounting policies, on a cum income debt at par basis, adjusted for the costs of the Proposals agreed to be borne by HEFT but not accrued in the HEFT Net Asset Value as at the Calculation Date (but not any listing fees to be borne by HEFT in respect of the listing of the New HEFT Shares nor any stamp duty, SDRT or other transaction tax or investment costs incurred by HEFT in connection with the transfer of the Rollover Pool) and

	adjusted to take account of HEFT's portion of the benefit of the Janus Henderson Contribution to the extent required to ensure that the Proposals are cost-neutral for continuing shareholders in the Combined Trust, and adjusted for any amounts payable by HEFT pursuant to the HEFT Tender Offer and any dividends declared but not reflected in the HEFT Net Asset Value or paid prior to the Effective Date by HEFT to HEFT Shareholders;
HEFT FAV per Share	the HEFT FAV divided by the number of HEFT Shares in issue (excluding treasury shares and excluding any HEFT Shares which have been accepted for tender pursuant to the HEFT Tender Offer) at the Calculation Date (expressed in pence) and rounded down to six decimal places;
HEFT General Meeting	the general meeting of HEFT convened for 11.00 a.m. on 19 June 2024 (or any adjournment thereof) to consider the adoption of the New HEFT Investment Policy and the HEFT Share Allotment Authority;
HEFT KID	the key information document prepared in relation to the HEFT Shares;
HEFT Prospectus	the prospectus dated 20 May 2024 relating to the issue and Admission of New HEFT Shares pursuant to the Scheme;
HEFT Registrar	Equiniti Limited;
HEFT Share Allotment Authority	the resolution to be proposed at the HEFT General Meeting granting the HEFT Directors the authority to allot New HEFT Shares pursuant to the Scheme;
HEFT Shareholders	holders of shares in HEFT;
HEFT Shares	the ordinary shares of 5 pence each in the capital of HEFT;
HEFT Tender Offer	the tender offer by HEFT to HEFT Shareholders prior to implementation of the Scheme, as described and defined in Part 1 of this document;
HEFT Tender Offer Discount	2 per cent.;
HMRC	HM Revenue & Customs;
HNE Cash FAV per Share	the HNE Cash Pool FAV divided by the total number of Reclassified Shares with "B" rights (expressed in pence) and rounded down to six decimal places;
HNE Cash Pool FAV	the Residual Net Asset Value multiplied by the proportion of Reclassified Shares with "B" Rights to the total number of Reclassified Shares, minus the Cash Option Discount;
HNE Rollover FAV	the difference between the Residual Net Asset Value (adjusted to include the benefit of HNE's portion of the Janus Henderson Contribution to the extent required to ensure that the Proposals are cost-neutral for continuing shareholders in the Combined Trust) and the HNE Cash Pool FAV;
HNE Rollover FAV per Share	the HNE Rollover FAV divided by the total number of Reclassified Shares with "A" rights (expressed in pence) and rounded down to six decimal places;
Ineligible US Shareholder	a US Shareholder which does not execute and return the US Investor Representation Letter to HEFT and Winterflood and which, by acquiring/receiving New HEFT Shares, the HEFT Board believes would: (i) give rise to an obligation on HEFT to register as an "investment company" under the US Investment Company Act or any similar legislation; (ii) give rise to an obligation on HEFT to

	register under the US Exchange Act or any similar legislation; (iii) result in HEFT no longer being considered a “foreign private issuer” for the purposes of the US Securities Act or the US Exchange Act; (iv) result in a “benefit plan investor” acquiring/receiving New HEFT Shares; or (v) result in a US Person holding HEFT Shares in violation of the transfer restrictions put forth in any prospectus published by HEFT from time to time;
Insolvency Act	the Insolvency Act 1986, as amended;
Investment Manager or Janus Henderson Investors	Janus Henderson Investors UK Limited;
ISA	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended from time to time;
Janus Henderson	the AIFM and/or the Investment Manager and/or their affiliates, as the context requires;
Janus Henderson Contribution	the commitment by the AIFM to make a contribution to the costs of the Proposals, as described and defined in Part 1 of this document;
Latest Practicable Date	16 May 2024, being the latest practicable date prior to publication of this document;
Liquidation Pool	the pool of cash and other assets to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies, as further provided in paragraph 3.2 of Part 3 of this document;
Liquidators	the liquidators of the Company being, initially, the persons appointed jointly and severally upon the special resolution to be proposed at the Second General Meeting becoming effective;
Listing Rules	the listing rules made by the Financial Conduct Authority under FSMA;
London Stock Exchange or LSE	London Stock Exchange plc;
Main Market	the main market of the London Stock Exchange;
NAV or Net Asset Value	the net asset value of the Company or HEFT, as appropriate, calculated in accordance with the respective company's usual accounting policies;
New HEFT Investment Policy	the proposed new investment policy of HEFT to be adopted subject to the passing of the relevant resolution at the HEFT General Meeting;
New HEFT Shares	the ordinary shares of 5 pence each in the capital of HEFT to be issued to certain Shareholders pursuant to the Scheme;
OCR	ongoing charges ratio;
Official List	the official list maintained by the Financial Conduct Authority;
Ordinary Shares or Shares	ordinary shares of 0.5 pence each in the capital of the Company;
Overseas Jurisdiction	a jurisdiction outside of the United Kingdom, the Channel Islands or the Isle of Man;
Overseas Shareholder	a Shareholder (excluding any Eligible US Shareholder) who has a registered address outside of, or who is a resident in, or citizen, resident or national of, any jurisdiction outside the United Kingdom, the Channel Islands or the Isle of Man;

Proposals	the proposals for the scheme of reconstruction and members' voluntary liquidation of the Company, as set out in this document;
QIB	a "qualified institutional buyer" within the meaning of Rule 144A of the US Securities Act;
Qualified Purchaser	a "qualified purchaser" as defined in section 2(a)(51)(A) of the US Investment Company Act;
Reclassified Shareholders	holders of Reclassified Shares;
Reclassified Shares	Shares with "A" or "B" rights arising as a result of the Proposals;
Record Date	6.00 p.m. on 27 June 2024 (or such other date as determined at the sole discretion of the Directors), being the record date for determining Shareholders' entitlements under the Scheme;
Receiving Agent or Registrar	Computershare Investor Services PLC;
Register	the register of members of the Company;
Regulation S	Regulation S under the US Securities Act;
Regulatory Information Service	the regulatory information service provided by the London Stock Exchange;
Relevant Time	has the meaning given to it in paragraph 4.1 of Part 3 of this document;
Residual Net Asset Value	equal to the gross assets of the Company as at the Calculation Date (calculated in accordance with the Company's normal accounting policies) less the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders) but excluding any adjustment for any benefit of the Janus Henderson Contribution;
Resolutions	the special resolutions to be proposed at the General Meetings, or any of them, as the context may require;
Rollover Option	the option for Shareholders to elect to receive New HEFT Shares under the terms of the Scheme, as described in this document;
Rollover Pool	the pool of cash and other assets to be established under the Scheme to be transferred to HEFT pursuant to the Transfer Agreement;
Sanctions Authority	each of: <ul style="list-style-type: none"> (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; or (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	each person or entity;

- (i) that is organised or resident in a country or territory which 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 hereof can be found at <https://sanctionslist.ofac.treas.gov/Home/SdnList>; and/or (b) the current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>; or (c) the current “Consolidated list of financial sanctions targets in the UK” (which as at the date hereof can be found at <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>; 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 hereof can be found <https://treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”), (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014 (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 voluntary winding-up of the Company under section 110 of the Insolvency Act, as set out in Part 3 of this document;
SDRT	UK stamp duty reserve tax;
SEC	the United States Securities and Exchange Commission;
Second General Meeting	the general meeting of the Company convened for 9.30 a.m. on 4 July 2024 (or any adjournment thereof), notice of which is set out from page 53 of this document;
Shareholders	holders of Ordinary Shares;
sterling or £	Pounds sterling, the lawful currency of the UK;
TCGA	the UK Taxation of Chargeable Gains Act 1992;
Transfer Agreement	the agreement for the transfer of assets from the Company to HEFT pursuant to the Scheme, a summary of which is set out in paragraph 1 of Part 6 of this document;
TTE Instruction	transfer to escrow instruction (as described in the CREST Manual);
UK	the United Kingdom of Great Britain and Northern Ireland;
uncertificated or in uncertificated form	recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
United States or US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
US Exchange Act	the United States Exchange Act of 1934, as amended;
US Investment Company Act	the United States Investment Company Act of 1940, as amended;

US Investor Representation Letter	a representation letter that can be completed by US Shareholders who are Qualified Purchasers and QIBs, the form of which is annexed to the HEFT Prospectus;
US Person	a “U.S. person” as defined in Regulation S under the US Securities Act;
US Securities Act	the United State Securities Act of 1933, as amended;
US Shareholder	a Shareholder who is located in the United States or is a US Person;
VAT	UK value added tax; and
Winterflood	Winterflood Securities Limited.

NOTICE OF FIRST GENERAL MEETING

HENDERSON EUROTRUST PLC (the “Company”)

(Incorporated in England and Wales with registered number 02718241 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of the Company will be held at the offices of Janus Henderson Investors, 201 Bishopsgate, London, EC2M 3AE at 11.30 a.m. on 20 June 2024 for the purpose of considering and, if thought fit, passing the following resolutions, both of 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 0.5 pence 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 at the date of the passing of this Resolution (other than any Shares held by the Company in treasury) shall be reclassified as shares with “A” rights or shares with “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 holders of the Shares and otherwise in accordance with the terms of the Scheme set out in Part 3 of the circular dated 20 May 2024 to Shareholders of the Company of which this notice forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chairman of the meeting;
- 1.2 for the purposes of this Resolution:
 - (a) to the extent any holder of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, New HEFT Shares, such Shares shall be reclassified as shares with “A” rights; and
 - (b) to the extent any holder of Shares shall have validly elected for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option, 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 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 of Association be and are hereby amended by:
 - (a) an amendment to the definition of Ordinary Shares to the following:

“The Ordinary Shares of 0.5 pence each in the capital of the Company”;
 - (b) the insertion of the following as a new Article 3(b) and the updating of the numbering of Article 3 accordingly:

“Every reference in these Articles to shares or Ordinary Shares shall be construed as a reference to the ordinary shares of 0.5 pence each in the capital of the Company which are designated as shares with either “A” rights or “B” rights as set out in Article 3(c) below. Notwithstanding anything to the contrary in these Articles, each class of share will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 3(c)”;
 - (c) the insertion of the following as a new Article 3(c):

“Words and expressions defined in the circular to shareholders of the Company dated 20 May 2024 (the “Circular”) shall bear the same meanings in this Article 3(c), save where the context otherwise requires.

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 in the circumstances set out 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 of the number of New HEFT 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”; and*

(d) such further amendments to the Articles of Association of the Company as may be required to give effect to this Resolution;

1.5 if the Scheme does not become unconditional by the end of the Second General Meeting, the amendments to the Articles of Association effected by paragraph 1.4 of this Resolution shall be further amended such that the insertion of new Article 3(b) and the insertion of new Article 3(c) shall cease to have effect as from the close of that meeting (or any adjourned meeting), 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; and

1.6 the terms defined in the Circular have the same meanings in this Resolution.

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 31 July 2024; and (iii) the passing at a general meeting of the Company convened for 4 July 2024 (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 3 of the circular to Shareholders of the Company dated 20 May 2024 (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chairman 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 any thing for the purpose of carrying the Scheme into effect;

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

- (a) under this special resolution and the Articles of Association, as amended as provided in Resolution 1, 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 HEFT and in the form of the draft laid before the meeting and signed for the purpose of identification by the Chairman of the meeting with such amendments as the parties thereto may from time to time agree;
- (b) to request that HEFT allot and issue New HEFT Shares, credited as fully paid, on the basis described in the Transfer Agreement for distribution to the holders of Shares entitled thereto in accordance with the Scheme (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective interests in as much of the property and assets of the Company as will be so transferred to HEFT in accordance with the Transfer Agreement and with the Scheme;
- (c) to procure that the Rollover Pool be vested in HEFT (or its nominees) on and subject to the terms of the Transfer Agreement;
- (d) to the extent required, to realise for cash the assets comprising the Cash Pool;

- (e) 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 Company as shall comprise the Cash Pool in accordance with the Scheme;
- (f) to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member who validly dissents from this Resolution under section 111(2) of the Insolvency Act 1986 from the Liquidation Pool;
- (g) to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
- (h) to apply for the admission of the Shares to the premium segment of the Official List and to trading on the Main Market to be cancelled with effect from such date as the Liquidators may determine.

2.3 the Articles of Association be and are hereby amended by the insertion of the following as a new Article 186(b) and the updating of the numbering of Article 186 accordingly:

“Notwithstanding the provisions of these Articles, upon the winding-up of the Company in connection with the scheme (the “Scheme”) set out in Part 3 of the circular to shareholders of the Company dated 20 May 2024 (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 HEFT (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 20 June 2024 by a notice attached to the Circular, in accordance with the provisions of this Article and Articles 3(b) and 3(c) and the holders of Ordinary Shares will be entitled to receive New HEFT Shares and/or cash, in each case in accordance with the terms of the Scheme. The definitions in the Circular have the same meanings in this Article 186(b), save where the context otherwise requires.”; and

2.4 the definitions contained in the Circular have the same meanings in this Resolution.

Registered office:
201 Bishopsgate
London EC2M 3AE

By Order of the Board
Janus Henderson Secretarial Services UK
Limited
Corporate Secretary

Dated: 20 May 2024

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

- 1 As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy. You may not use any electronic address provided either in this notice or any related documents to communicate with the Company for any purpose other than those expressly stated.
- 2 To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post or (during normal business hours only) by hand to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH or electronically by visiting www.investorcentre.co.uk/eproxy no later than two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting.
- 3 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 and/or by logging on to the website: euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting 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.
- 4 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID 3RA50) no later than two days (excluding non-working days) before the time of the General Meeting or any adjournment of the 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 Registrar 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.
- 5 CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her 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 service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 6 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.
- 7 The return of a completed Form of Proxy or other instrument of proxy will not prevent you attending the General Meeting and voting in person if you wish.
- 8 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company no later than two days (excluding non-working days) prior to the commencement of the General

Meeting or any adjourned General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

- 9 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a **“Nominated Person”**) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
- 10 The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by Shareholders of the Company.
- 11 Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company’s website at www.hendersoneurotrust.com.
- 12 Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
- 13 As at 16 May 2024 (being the last practicable day prior to the publication of this notice) the Company’s issued share capital consisted of 212,055,410 Shares, carrying one vote each, of which 200,000 Shares were held in treasury. Therefore, the total voting rights in the Company as at 16 May 2024 were 211,855,410 votes.
- 14 Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the chairman of the General Meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
- 15 A copy of the current articles of association of the Company and the proposed new articles of association of the Company will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) and for at least 15 minutes before and during the General Meeting at the registered office of the Company at 201 Bishopsgate, London EC2M 3AE, being the place of the General Meeting. The proposed new articles of association will also be available for inspection on the Company’s website from the date of this Notice of General Meeting.

NOTICE OF SECOND GENERAL MEETING

HENDERSON EUROTRUST PLC (the “Company”)

(Incorporated in England and Wales with registered number 02718241 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of the Company will be held at the offices of Janus Henderson Investors, 201 Bishopsgate, London, EC2M 3AE, at 9.30 a.m. on 4 July 2024 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):

- (a) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and that Derek Neil Hyslop and Richard Peter Barker, both licensed insolvency practitioners of Ernst & Young LLP, be and they are hereby appointed joint liquidators of the Company (the “**Liquidators**”) 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;
- (b) 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 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 to give effect to the Scheme;
- (c) 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;
- (d) the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association as amended by the Resolutions set out in the notice of the First General Meeting of the Company contained in the circular to Shareholders of the Company, dated 20 May 2024 (the “**Circular**”);
- (e) the Liquidators be and are hereby authorised pursuant to section 165 of the Insolvency Act 1986 to exercise the powers laid down in Part 1 of Schedule 4 to that Act 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
- (f) the definitions contained in the Circular have the same meanings in this Resolution.

Registered office:
201 Bishopsgate
London EC2M 3AE

By Order of the Board
Janus Henderson Secretarial Services UK
Limited
Corporate Secretary

Dated: 20 May 2024

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

- 1 As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy. You may not use any electronic address provided either in this notice or any related documents to communicate with the Company for any purpose other than those expressly stated.
- 2 To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post or (during normal business hours only) by hand to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH or electronically by visiting www.investorcentre.co.uk/eproxy no later than two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting.
- 3 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 and/or by logging on to the website: euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting 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.
- 4 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID 3RA50) no later than two days (excluding non-working days) before the time of the General Meeting or any adjournment of the 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 Registrar 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.
- 5 CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her 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 service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 6 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.
- 7 The return of a completed Form of Proxy or other instrument of proxy will not prevent you attending the General Meeting and voting in person if you wish.
- 8 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company no later than two days (excluding non-working days) prior to the commencement of the General

Meeting or any adjourned General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

- 9 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a **“Nominated Person”**) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
- 10 The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by Shareholders of the Company.
- 11 Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company’s website at www.hendersoneurotrust.com.
- 12 Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
- 13 As at 16 May 2024 (being the last practicable day prior to the publication of this notice) the Company’s issued share capital consisted of 212,055,410 Shares, carrying one vote each, of which 200,000 Shares were held in treasury. Therefore, the total voting rights in the Company as at 16 May 2024 were 211,855,410 votes.
- 14 Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the chairman of the General Meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

