

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE RECONSTRUCTION AND VOLUNTARY WINDING-UP OF SHIRES INCOME PLC (THE “COMPANY” OR “SHRS”) ON WHICH SHAREHOLDERS ARE BEING ASKED TO VOTE AND IN RELATION TO WHICH ORDINARY 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 sell or transfer, or have sold or transferred, all of your Shares, please send 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 stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. Shareholders who are resident in, or citizens of, territories outside the United Kingdom should read the sections titled “*Overseas Shareholders*” in Part 3 and “*Excluded Shareholders*” in Part 4 of this document.

The New AEI Shares are not and will not be registered under the U.S. Securities Act of 1933, as amended (the “**US Securities Act**”), and the New AEI Shares may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, “U.S. persons” as defined in Regulation S under the US Securities Act (“**US Persons**”), except pursuant to an exemption from the registration requirements of the US Securities Act, and under circumstances that would not result in AEI being in violation of the U.S. Investment Company Act of 1940, as amended (the “**US Investment Company Act**”). Additionally, AEI is not, and does not intend to be, registered as an investment company under the US Investment Company Act and AEI Shareholders are not, and will not be, entitled to the benefits of such legislation. There has not been and there will not be a public offer of the New AEI Shares in the United States. The New AEI Shares are being offered and sold solely outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act.

The definitions used in this document are set out on pages 51 to 58 of this document.

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## **SHIRES INCOME PLC**

*(Incorporated in England and Wales with registered number 00386561 and registered as an investment company under section 833 of the Companies Act 2006)*

### **Recommended proposals for the combination with Aberdeen Equity Income Trust plc by means of a members’ voluntary liquidation of the Company**

**and**

### **Notices of the First General Meeting, the Ordinary Shareholders’ Class Meeting and the Second General Meeting**

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**This document should be read in conjunction with Aberdeen Equity Income Trust plc’s Information Document for Shires Income PLC’s shareholders dated 11 February 2026 (the “AEI Information Memorandum”). The AEI Information Memorandum will be made available on AEI’s website at [www.aberdeenequityincome.com](http://www.aberdeenequityincome.com). Shareholders will not be sent a copy of the AEI Information Memorandum.**

The Proposals described in this document are conditional, *inter alia*, on Shareholder approval. The document should be read as a whole, alongside the AEI Information Memorandum, before deciding what action to take, and your attention is drawn to the sections titled “*Shareholder Meetings*” and “*Elections*” in Part 3 of this document. Your attention is also drawn to pages 45 to 48 of this document which summarise the risk factors associated with the Proposals and the letter from the Chairman of the Company set out in Part 1 of this document, which contains, *inter alia*, the recommendation of the Board that Shareholders vote in favour of the Resolutions to be proposed at each Shareholder Meeting referred to below.

Notices of: (i) the First General Meeting, to be held at 10.30 a.m. on 9 March 2026; (ii) the Ordinary Shareholders' Class Meeting, to be held at 10.45 a.m. on 9 March 2026; and (iii) the Second General Meeting, to be held at 9.00 a.m. on 17 March 2026, are set out at the end of this document. The Shareholder Meetings will each be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG.

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11 February 2026

## Contents

<b>SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS .....</b>	<b>4</b>
<b>EXPECTED TIMETABLE .....</b>	<b>7</b>
<b>PART 1 – LETTER FROM THE CHAIRMAN .....</b>	<b>9</b>
<b>INTRODUCTION .....</b>	<b>9</b>
<b>RATIONALE AND BENEFITS OF THE PROPOSALS .....</b>	<b>10</b>
<b>DIVIDENDS .....</b>	<b>13</b>
<b>RISK FACTORS .....</b>	<b>13</b>
<b>TAXATION.....</b>	<b>13</b>
<b>ACTION TO BE TAKEN BY SHAREHOLDERS.....</b>	<b>14</b>
<b>RECCOMENDATION .....</b>	<b>14</b>
<b>PART 2 – INFORMATION ON ABERDEEN EQUITY INCOME TRUST PLC .....</b>	<b>16</b>
<b>PART 3 – DETAILS OF THE PROPOSALS AND ACTION TO BE TAKEN</b>	<b>21</b>
<b>BY SHAREHOLDERS.....</b>	
<b>OVERVIEW OF THE SCHEME.....</b>	<b>21</b>
<b>IMPLEMENTATION OF THE SCHEME.....</b>	<b>23</b>
<b>COSTS OF IMPLEMENTING THE PROPOSALS AND THE ABERDEEN</b>	<b>24</b>
<b>COSTS CONTRIBUTION .....</b>	
<b>CONDITIONS OF THE SCHEME.....</b>	<b>25</b>
<b>AMENDMENT TO ARTICLES REGARDING ADJOURNED CLASS</b>	<b>26</b>
<b>MEETINGS .....</b>	
<b>BORROWINGS .....</b>	<b>26</b>
<b>TRANSFER AGREEMENT.....</b>	<b>27</b>
<b>SHAREHOLDER MEETINGS.....</b>	<b>27</b>
<b>ELECTIONS.....</b>	<b>29</b>
<b>SETTLEMENT AND DEALINGS IN NEW AEI SHARES .....</b>	<b>30</b>
<b>OVERSEAS SHAREHOLDERS .....</b>	<b>31</b>
<b>DISSENTING SHAREHOLDERS.....</b>	<b>32</b>
<b>COMMON REPORTING STANDARDS .....</b>	<b>33</b>
<b>UK TAXATION .....</b>	<b>33</b>
<b>PART 4 – THE SCHEME .....</b>	<b>36</b>
<b>DEFINITIONS AND INTERPRETATION.....</b>	<b>36</b>
<b>ELECTIONS AND ENTITLEMENTS UNDER THE SCHEME .....</b>	<b>36</b>
<b>APPORTIONMENT OF THE COMPANY’S GROSS ASSETS .....</b>	<b>37</b>
<b>CALCULATIONS OF VALUE .....</b>	<b>38</b>
<b>PROVISION OF INFORMATION BY THE LIQUIDATORS .....</b>	<b>39</b>
<b>TRANSFER OF ASSETS AND LIABILITIES.....</b>	<b>40</b>
<b>DISTRIBUTION OF THE CASH POOL.....</b>	<b>40</b>
<b>ISSUE OF NEW AEI SHARES.....</b>	<b>40</b>
<b>APPLICATION OF LIQUIDATION POOL.....</b>	<b>41</b>
<b>FORMS OF ELECTION.....</b>	<b>41</b>
<b>MODIFICATIONS .....</b>	<b>42</b>
<b>RELIANCE ON INFORMATION.....</b>	<b>42</b>
<b>LIQUIDATOR’S LIABILITY .....</b>	<b>42</b>
<b>CONDITIONS .....</b>	<b>42</b>
<b>DISSENTING SHAREHOLDERS.....</b>	<b>43</b>
<b>EXCLUDED SHAREHOLDERS.....</b>	<b>43</b>
<b>GENERAL.....</b>	<b>44</b>
<b>PART 5 – RISK FACTORS .....</b>	<b>45</b>
<b>PART 6 – ADDITIONAL INFORMATION.....</b>	<b>49</b>
<b>DEFINITIONS.....</b>	<b>51</b>
<b>NOTICE OF FIRST GENERAL MEETING.....</b>	<b>59</b>
<b>NOTICE OF ORDINARY SHAREHOLDERS’ CLASS MEETING .....</b>	<b>65</b>
<b>NOTICE OF SECOND GENERAL MEETING .....</b>	<b>68</b>

## SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the action to be taken by Shareholders are set out in the sections titled “*Shareholder Meetings*” and “*Elections*” in Part 3 of this document, and in the instructions on the Forms of Proxy and the Form of Election (as applicable). You should read this whole document when deciding what action to take. The attention of Overseas Shareholders is drawn to the sections titled “*Overseas Shareholders*” in Part 3 and “*Excluded Shareholders*” in Part 4 of this document.

Investors who hold Shares through an investment platform or other nominee service and who wish to appoint a proxy in respect of any Shareholding Meeting in order to attend, speak and vote at the relevant Shareholder Meeting(s) will need to contact their investment platform provider or nominee to instruct them accordingly and, investors who hold Ordinary Shares through an investment platform or other nominee service and who wish to make an Election will need to contact their investment platform provider or nominee to instruct them accordingly.

<b>1.</b>	<b>To vote on the Resolutions</b>
	<p>Complete and return the <b>PINK Form of Proxy</b> for the First General Meeting so as to be received as soon as possible, but in any event <b>no later than 10.30 a.m. on 5 March 2026</b> (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).</p> <p><b>AND</b></p> <p>Complete and return the <b>GREEN Form of Proxy</b> for the Second General Meeting so as to be received as soon as possible, but in any event <b>no later than 9.00 a.m. on 13 March 2026</b> (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).</p> <p><b>AND (for holders of Ordinary Shares only).</b></p> <p>Complete and return the <b>BLUE Form of Proxy</b> for the Ordinary Shareholders’ Class Meeting so as to be received as soon as possible, but in any event <b>no later than 10.45 a.m. on 5 March 2026</b> (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).</p> <p><b>OR</b></p> <p>As an alternative to completing the hard-copy Form of Proxy, you can appoint a proxy electronically at <a href="http://www.shareview.co.uk">www.shareview.co.uk</a> and logging in to your Shareview Portfolio. Click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, please go to <a href="http://www.shareview.co.uk">www.shareview.co.uk</a> and enter the requested information. To be valid, such appointments should be transmitted so as to be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the relevant Shareholder Meeting.</p> <p><b>OR</b></p> <p>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. In addition, institutional investors may be able to appoint a proxy electronically via the Proximity platform. Proxies submitted via a designated voting platform (such as CREST or Proximity) for any Shareholder Meeting must be transmitted so as to be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the relevant Shareholder Meeting.</p>
<b>2.</b>	<b>To make an Election (for holders of Ordinary Shares only)</b>
<b>(a)</b>	<b>To elect to rollover into AEI (being the Rollover Option) in full</b>
	There is NO NEED to complete a Form of Election or to submit a TTE Instruction.

<b>(b)</b>	<b>To elect for the Cash Option (limited in aggregate to 25 per cent. of the total number of Ordinary Shares (excluding Ordinary Shares held in treasury) in issue as at the Calculation Date)</b>
	<p><b>If you hold your Ordinary Shares in certificated form (that is, not in CREST):</b> You MUST complete the accompanying Form of Election in accordance with the instructions contained therein so as to be received as soon as possible, but in any event <b>no later than 1.00 p.m. on 9 March 2026.</b></p> <p><b>OR</b></p> <p><b>If you hold your Ordinary Shares in uncertificated form (that is, in CREST):</b> You MUST send a <b>TTE Instruction</b> in respect of any Ordinary Shares for which you wish to make an Election for the Cash Option <b>no later than 1.00 p.m. on 9 March 2026.</b></p>

If Shareholders have any questions relating to how to appoint a proxy or how to make an Election, as applicable, please contact Equiniti's shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales) on +44 3713 842 145 (the "**Shareholder Helpline**"). 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 how to appoint a proxy or how to make an Election and cannot provide Shareholders with financial, tax, investment or legal advice.

Investors who hold their Shares through an investment platform or other nominee service are encouraged to contact their investment platform provider or nominee as soon as possible to arrange for votes to be lodged on their behalf. Further information on how to vote across the most common investment platforms is available at the following link: <https://www.theaic.co.uk/how-to-vote-your-shares>.

### **Elections**

Only Shareholders (other than Excluded Shareholders) who hold Ordinary Shares as at 6.00 p.m. on 9 March 2026 will be able to elect for the Cash Option in respect of those Ordinary Shares. Whether and 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 and should read the whole of this document which contains the terms of the Scheme and the AEI Information Memorandum when deciding what action to take.

The Directors intend to roll over their entire beneficial holdings of Ordinary Shares into New AEI Shares.

**If you are not an Excluded Shareholder and you wish to receive New AEI Shares in respect of your entire holding of Ordinary 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, all Shareholders should nevertheless vote on the Proposals, as set out above.**

### **Preference Shareholders**

Preference Shareholders will not be entitled to participate in the Scheme and will instead receive their entitlements in cash in accordance with the provisions of the Company's Articles of Association applicable to a winding-up of the Company (being the principal amount of the Preference Shares outstanding plus accrued interest up to the date of the winding-up). Accordingly, Preference Shareholders may not make an election under the Scheme and will not receive a Form of Election in relation to their Preference Shares.

### **Overseas Shareholders**

An Overseas Shareholder (being a Shareholder who has a registered address outside, or who is resident in, or a citizen, resident or national of, a jurisdiction outside, the United Kingdom, the Channel Islands and the Isle of Man) will not be entitled to receive New AEI Shares under the Scheme unless they have satisfied the Company, AEI and the Liquidators (taking appropriate

advice), that they are entitled to receive and hold New AEI Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company and/or AEI with any overseas laws, regulations, filing requirements or the equivalent.

Overseas Shareholders who wish to receive New AEI Shares under the Scheme should therefore contact the Company directly as soon as possible at [shires.income@aberdeenplc.com](mailto:shires.income@aberdeenplc.com) and, in any event, by no later than 5.00 p.m. on 8 March 2026 if they are able to demonstrate, to the satisfaction of the Company, AEI and the Liquidators (taking appropriate advice), that they can be issued New AEI Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company and AEI with any overseas laws, regulations, filing requirements or the equivalent. If an Overseas Shareholder does not satisfy the Company, AEI and the Liquidators as set out above, such Overseas Shareholder will be an Excluded Shareholder.

Excluded Shareholders will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Ordinary Shares. Such deemed elections will be subject to scaling back in accordance with the Scheme. To the extent that an Excluded Shareholder would otherwise receive New AEI Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash Option is scaled back), then such New AEI Shares will be sold by the Liquidators in the market and the net proceeds paid to the relevant Excluded Shareholder in accordance with paragraph 16.3 of Part 4 of this document.

The attention of Excluded Shareholders is drawn to paragraph 16 of Part 4 of this document.

## EXPECTED TIMETABLE

	<i>2026</i>
Date of this document	11 February
Publication of AEI Circular	11 February
Date of declaration of Pre-liquidation Dividend to Ordinary Shareholders	11 February
Ex dividend date for the Pre-liquidation Dividend to Ordinary Shareholders	19 February
Record date for the Pre-liquidation Dividend to Ordinary Shareholders	6.00 p.m. on 20 February
Latest time and date for receipt of proxy appointments in respect of the First General Meeting	10.30 a.m. on 5 March
Latest time and date for receipt of proxy appointments in respect of the Ordinary Shareholders' Class Meeting	10.45 a.m. on 5 March
<b>First General Meeting</b>	10.30 a.m. on 9 March
<b>Ordinary Shareholders' Class Meeting</b>	10.45 a.m. on 9 March
<b>AEI General Meeting</b>	11.30 a.m. on 9 March
Latest time and date for receipt of Forms of Election and TTE Instructions	1.00 p.m. on 9 March
Record date for entitlements under the Scheme	6.00 p.m. on 9 March
Ordinary Shares disabled in CREST (for settlement)	close of business on 9 March
Trading in the Ordinary Shares on the London Stock Exchange suspended	7.30 a.m. on 10 March
Calculation Date	close of business on 12 March
Latest time and date for receipt of proxy appointments in respect of the Second General Meeting	9.00 a.m. on 13 March
Pre-liquidation Dividend paid to Ordinary Shareholders	13 March
Reclassification of the Ordinary Shares	8.00 a.m. on 16 March
Suspension of listing of Reclassified Shares and Company's Register closes	7.30 a.m. on 17 March
<b>Second General Meeting</b>	9.00 a.m. on 17 March
Effective Date for implementation of the Scheme	17 March
Appointment of the Liquidators	17 March

2026  
17 March

Announcement of the results of Elections, the SHRS Rollover FAV per Share, the SHRS Cash FAV per Share and the AEI FAV per Share

Record date for entitlements in the liquidation of Preference Shareholders 6.00 p.m. on 17 March

Admission and dealings in New AEI Shares commence 8.00 a.m. on 18 March

CREST accounts credited in respect of New AEI Shares in uncertificated form as soon as reasonably practicable on 18 March

Cheques and electronic payments despatched to Ordinary Shareholders who elect for the Cash Option and CREST accounts credited with cash not later than 31 March

Certificates despatched in respect of New AEI Shares not later than 31 March

Cheques and electronic payments despatched to Preference Shareholders not later than 31 March

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 Shareholder 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 CHAIRMAN**  
**SHIRES INCOME PLC**  
**(the “Company”)**

*(Incorporated in England and Wales with registered no. 00386561 and registered as an investment company under section 833 of the Companies Act 2006)*

*Directors:*  
Robin Archibald (“**Chairman**”)  
Jane Pearce  
Helen Sinclair  
Simon White

*Registered Office:*  
280 Bishopsgate  
London  
England  
EC2M 4AG

11 February 2026

Dear Shareholders

**Recommended proposals for the combination with Aberdeen Equity Income Trust plc by means of a members’ voluntary liquidation of the Company**

**1 INTRODUCTION**

The Board of Shires Income plc announced on 8 January 2026 that it had agreed heads of terms with the board of Aberdeen Equity Income Trust plc for a combination of the Company and AEI bringing together two successful investment trusts to create a larger company for Shareholders, with the benefits outlined in this letter.

The Combination, if approved by Shareholders and AEI Shareholders, will be implemented by means of a scheme of reconstruction and members’ voluntary winding up of the Company under section 110 of the Insolvency Act, under which Ordinary Shareholders will receive New AEI Shares or can elect some or all of their Ordinary Shares for cash. The enlarged AEI will be the ongoing company (the “**enlarged AEI**”).

abrdn Fund Managers Limited will continue to manage the enlarged AEI. AEI will submit an updated investment objective and policy for AEI’s shareholders to approve. The updated investment policy will include SHRS’ ability to invest in investment-grade fixed income securities and preference shares, as well as having selective exposure to overseas equity in developed markets. Subject to approval by AEI Shareholders, the adoption of this updated investment objective and policy will be conditional on the Combination being implemented. Further information on AEI is set out in Part 2 of this document and in the AEI Information Memorandum.

The boards of both SHRS and AEI, along with Aberdeen, believe that the recommended Combination represents an opportunity to create a larger, differentiated, UK Equity Income investment company using the same management team, whilst delivering a progressive dividend growth strategy, lower costs, and enhanced growth prospects for all shareholders in the enlarged AEI: an improved circumstance for both sets of shareholders.

The New AEI Shares will be issued based upon the ratio of the SHRS Rollover FAV per Share to the AEI FAV per Share. Ordinary Shareholders will be able to elect to receive cash in respect of part or all of their shareholding, subject to an aggregate limit of 25 per cent. of the Company’s issued ordinary share capital (excluding any Ordinary Shares held in treasury) at the Calculation Date. Ordinary Shareholders who do not make a valid Election for the Cash Option will receive New AEI Shares.

Ordinary Shareholders who make a valid Election for the Cash Option including excess applications over the amount available under the Cash Option (with Elections for the Cash Option being scaled back on a *pari passu* and *pro rata* basis if the Elections for the Cash Option exceed the 25 per cent. of issued Ordinary Share capital limit) will receive cash. The Cash Option will be provided at a two per cent. discount to the SHRS Residual FAV.

Preference Shareholders will receive their entitlements to cash in accordance with the provisions of the Company's Articles of Association applicable to a winding-up of the Company (being the principal amount of the Preference Shares outstanding plus accrued interest up to the date of the winding-up).

The treatment of *Overseas Shareholders* and *Excluded Shareholders* under the Scheme is set out in Parts 3 and 4 of this document.

The Scheme has been structured to avoid costs of the Scheme falling on continuing shareholders in the enlarged AEI (excluding any costs of realising or aligning the portfolio or stamp duty payable by AEI on the acquisition of assets from the Company in connection with the Scheme), and to reduce the OCR of the enlarged AEI. This will be achieved through a contribution to costs from Aberdeen and the discount of two per cent. at which the Cash Option will be offered.

In addition, subject to the Scheme becoming effective, Aberdeen has agreed to scale back its fees, if required, so that the OCR of the enlarged AEI will not exceed 0.78 per cent. compared to AEI's current OCR of 0.84 per cent. and SHRS' OCR of 1.00 per cent..

The implementation of the Scheme is conditional upon, *inter alia*, the approval of Shareholders at the Shareholder Meetings and the approval by AEI Shareholders of the AEI Scheme Resolutions, detail of which is set out in the section titled "*Conditions*" in Part 4 of this document.

Shareholder approval is also being sought to amend the Articles to remove the requirement that separate meetings of a class of shares convened by the Directors which are adjourned for lack of quorum, may not be reconvened less than 10 clear days' after the original meeting. This change is being proposed to help implement the Scheme if the quorum requirement for the Ordinary Shareholders' Class Meeting is not met. Details are set out in the section titled "*Amendment to Articles regarding adjourned class meetings*" in Part 3 of this document.

The purpose of this document is to explain the Proposals, their rationale and expected benefits, the actions required to be taken for them to be implemented, and to convene the Shareholder Meetings, notices of which are set out at the end of this document. The expected timetable associated with the Proposals is provided on page 3 of this document.

## **2 RATIONALE AND BENEFITS OF THE PROPOSALS**

The Board has explored various means over the last few years of enhancing Shareholder value, including through the successful combination with abrdn Smaller Companies Income Trust plc in 2023. Whilst the performance of the Company over this period has been good, and dividends have been maintained and grown, it has not been possible to grow the Company substantially. A larger Company would have reduced the OCR and enhanced the liquidity in the Company's shares in the secondary market. Share buybacks have been used to help liquidity and maintain the rating of the Shares but in the longer-term demand for an investment company's shares, because of what it can offer, is paramount.

AEI, whose portfolio is managed by the same investment team as SHRS, is viewed by the Board as complementary to SHRS. Each company comes from separate origins – AEI having been managed by Standard Life Investments (Corporate Funds) Limited and SHRS having been managed by Glasgow Investment Managers Limited, both investment management groups having been acquired by Aberdeen some years ago. Pursuant to the Combination, it makes sense to have AEI as the successor company by virtue of its size, higher dividend payout and lower OCR, but with both SHRS and AEI coming from positions of relative strength where the Combination could enhance both sets of shareholders' prospects. The Board examined other alternatives to improve shareholder value but concluded that the combination with AEI was demonstrably the best and most practical means, and a solution that was consistent with why Shareholders were invested in SHRS, namely: for high and predictable income from UK equities.

The Combination will bring together two investment trusts with broadly similar investment objectives, good performance records and share price ratings, using the expertise of the same portfolio management team, as both companies have enjoyed in the past, as well as the administrative capabilities of Aberdeen in supporting the activities of closed-ended investment companies. It will create a larger, more liquid, and more cost-effective company, which should deliver greater value for Ordinary Shareholders. Specifically:

- **Strong records of investment performance:** For periods to 31 January 2026, both companies have delivered strong investment returns. AEI has delivered a NAV total return of 30.9 per cent., 41.7 per cent. and 70.0 per cent. over the past one, three and five years respectively; SHRS has delivered a NAV total return of 24.7 per cent., 42.9 per cent. and 66.0 per cent. over the same periods<sup>1</sup>.
- **Differentiated proposition:** Subject to the approval of changes to AEI's investment objective and policy, the enlarged AEI will include SHRS' distinctive portfolio features, including some exposure to investment-grade fixed income securities and preference shares, as well as selective exposure to overseas equities in developed markets. This investment approach will aim to provide shareholders in the enlarged AEI with greater diversification, continued progressive dividend growth and a differentiated option within the AIC's UK Equity Income Sector.
- **Sustained and growing income:** Both companies pay dividends above the average yield of the AIC's UK Equity Income sector. The Board believes there should be no reduction in dividend income for shareholders in either SHRS or AEI. The enlarged AEI will continue AEI's commitment to a progressive dividend policy, aiming for a dividend increase each year. For the year ended 30 September 2025, AEI paid dividends quarterly totalling 23p per share in aggregate and for the current year, ending 30 September 2026, AEI is expected to pay not less than 23.1p per share in aggregate, paid quarterly. The board of the enlarged AEI will look to maintain AEI's AIC Dividend Hero status and extend its track record to 26 consecutive years of dividend growth. AEI has both revenue reserves and realised capital reserves to support the payment of dividends, if required.
- **Increased scale:** It is expected that the Combination will deliver a significant increase in the size of AEI to form an enlarged AEI with NAV of between £300 and £331 million, depending on the take up of the Cash Option and based on the NAV of each company as at the Latest Practicable Date. With greater scale, the enlarged AEI should appeal to a broader range of investors, including wealth managers, which in turn should result in higher trading volumes and improved market liquidity in the enlarged AEI's shares.
- **Reduced costs:** It is expected that the Combination will deliver a reduction in the OCR for shareholders in the enlarged AEI through its increased scale and absorption of fixed costs over a larger asset base. The enlarged AEI will retain AEI's current management fee of 0.55 per cent. per annum of its net asset value, together with an additional fixed fee of £120,000 per annum (with an annual increase linked to CPI). The management fee will be scaled back, if required, so that the OCR of the enlarged AEI does not exceed 0.78 per cent., compared to AEI's current OCR of 0.84 per cent. and SHRS' OCR of 1.00 per cent..
- **Share rating:** The AEI Shares have enjoyed a strong market rating in recent years, with an average premium to NAV of 0.05 per cent. and an average discount to NAV of 1.76 per cent. over the past one and three years respectively. SHRS has traded at an average discount to NAV of 4.53 per cent. and 7.11 per cent. over the same period and at the Latest Practicable Date AEI was trading at a 2.49 per cent. premium while SHRS was trading at a 1.41 per cent. premium.
- **Cost contributions:** To ensure maximum retention of value for continuing shareholders in the enlarged AEI, Aberdeen has agreed to cover all costs of the Scheme (excluding any costs of realising or aligning the portfolio or stamp duty payable by AEI on the acquisition of assets from the Company in connection with the Scheme), in excess of any contribution to Scheme costs arising from the Cash Option being at a discount of two per cent. to the SHRS Residual FAV. The Aberdeen Costs Contribution will be made through a combination of an offset against future management fees to be paid by the enlarged AEI and a waiver in relation to management fees payable by SHRS to Aberdeen in the period up to the Effective Date, minimising the impact on NAV for continuing shareholders in the enlarged AEI.
- **Tax-neutrality of Rollover Option:** Subject to receipt of the clearance being sought from HMRC (as further described in the section titled "*UK Taxation*" in Part 3 of this document), UK Ordinary Shareholders should not be subject to a charge to UK tax on chargeable gains in respect of the Rollover Option.

<sup>1</sup> Past performance should not be considered a reliable indicator of future results.

- **Specific benefits for Ordinary Shareholders that roll over into the enlarged AEI:** such Ordinary Shareholders:
  - are expected to receive a higher projected annual dividend in respect of their holdings of AEI Shares, paid quarterly, than they would have received through their original shareholding in SHRS prior to rolling over. The anticipated annual dividend of the enlarged AEI for the year ending 30 September 2026 will not be less than 23.1p per AEI Share in aggregate. Using the illustrative conversion ratio shown below and projected annualised dividends of not less than 15.5p per SHRS Ordinary Share (as announced in the recent interim accounts), Ordinary Shareholders rolling their holding into New AEI Shares would see an uplift in their annual dividend of 12.5 per cent. excluding the Pre-liquidation Dividend;
  - will benefit from a lower OCR, with the enlarged AEI having an estimated OCR of 0.78 per cent. compared to 1.00 per cent. in respect of SHRS;
  - will potentially benefit from a modest improvement in share rating (with the AEI Shares having traded at an average premium to NAV of 0.05 per cent. and the Ordinary Shares having traded at an average discount to NAV of 4.53 per cent. over the last 12 months); and
  - will potentially benefit from the novation of the Term Loan, which carries an attractive interest rate, as further outlined in the section titled “*Borrowings*” in Part 3 of this document.
- **Limited cash exit:** the Cash Option is being offered for those Ordinary Shareholders who might want to realise some or all of their Ordinary Shares for cash (subject to scaling back in accordance with paragraph 2.1 of Part 4 of this document) at a discount to NAV tighter than the average discount at which the Ordinary Shares have traded in the last twelve months.
- **Structure of the enlarged AEI:** whilst AEI has not needed to buy back AEI Shares since 2022 as there has been sufficient liquidity in AEI Shares in the secondary market close to the prevailing NAV, the board of the enlarged AEI will continue to use buybacks, where it deems it necessary to provide liquidity and help maintain the rating of the AEI Shares. The enlarged AEI will maintain its allocation of borrowing and management costs of 70 per cent. to capital, compared to the Company’s approach of charging 60 per cent. of these costs to capital.

***For illustrative purposes only***

Had the Calculation Date for the Scheme been close of business on the Latest Practicable Date and assuming that no Ordinary Shareholders exercise their right to dissent from participation in the Scheme and 10 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) is elected for the Cash Option and after taking into account both the Company’s Pre-liquidation Dividend (of 10 pence per Ordinary Share) and the AEI First Interim Dividend (of 5.7 pence per AEI Share), then the results would have been as shown in the table below:

<b>Metric</b>	<b>Pence per share</b>
SHRS NAV per Share*	312.46
SHRS Cash FAV per Share	304.01
SHRS Rollover FAV per Share**	311.78
AEI NAV per Share*	412.87
AEI FAV per Share	412.87
Resulting in:	
Conversion ratio	0.755152
New AEI Shares to be issued	26,785,640

\* adjusted for the Company’s Pre-liquidation Dividend and the AEI First Interim Dividend, respectively.

\*\* the difference between the illustrative SHRS NAV per Share and the illustrative SHRS Rollover FAV per Share is attributable to the establishment of the Liquidation Pool.

**The above figures are for illustrative purposes only and do not represent forecasts. The SHRS Rollover FAV per Share, AEI FAV per Share and SHRS Cash FAV per Share and Shareholders’ entitlements under the Scheme may materially change up to the Effective**

**Date as a result of, *inter alia*, changes in the value of investments. For the avoidance of doubt, the illustrative SHRS Rollover FAV per Share and the illustrative SHRS Cash FAV per Share do not take into account any Portfolio Realisation Costs as they are unquantifiable as at the Latest Practicable Date.**

For details of the Scheme, please refer to Parts 3 and 4 of this document.

As set out above, as part of the Proposals and in connection with the Scheme, Shareholder approval is being sought to amend the Articles to remove the requirement that separate meetings of a class of shares convened by the Directors which are adjourned for lack of quorum, may not be reconvened less than 10 clear days' after the original meeting. This change is being proposed to help implement the Scheme if the quorum requirement for the Ordinary Shareholders' Class Meeting is not met. Details are set out in the section titled "*Amendment to Articles regarding adjourned class meetings*" in Part 3 of this document.

### **3 DIVIDENDS**

#### **SHRS Pre-liquidation Dividend**

The Board has announced a pre-liquidation dividend of 10 pence per Ordinary Share which, subject to the Scheme Resolutions at the First General Meeting, the resolution at the Ordinary Shareholders' Class Meeting and the AEI Scheme Resolutions at the AEI General Meeting being passed, will be paid on 13 March 2026 to Ordinary Shareholders on the Company's register of members as at 20 February 2026, having an ex-dividend date of 19 February 2026 (the "**Pre-liquidation Dividend**"). This will result in Ordinary Shareholders receiving aggregate dividends for the year to 31 March 2026 (by which time the Scheme is expected to have become effective) of 15.55p per Ordinary Share.

All Ordinary Shareholders on the Company's register of members as at 20 February 2026 will be entitled to receive the Pre-liquidation Dividend, regardless of whether they are deemed to elect for the Rollover Option or whether they elect (or are deemed to elect) for the Cash Option under the Scheme. It is not anticipated that there will be any further dividends paid by the Company in relation to the current financial period or for the period up to the liquidation of the Company.

#### **Future AEI dividends**

New AEI Shares issued under the Scheme will rank fully *pari passu* with existing AEI Shares for all dividends declared by AEI with a record date falling after the date of the issue of the New AEI Shares.

New AEI Shares issued under the Scheme will not rank for the first interim dividend announced by AEI in respect of the financial year ending 30 September 2026 payable on 27 March 2026 (the "**AEI First Interim Dividend**"). The first AEI dividend that continuing shareholders in the enlarged AEI will receive is expected to be paid in June 2026.

### **4 RISK FACTORS**

Shareholders are urged to read carefully the risk factors contained in Part 5 of this document which sets out the material risks known to the Directors at the date of this document in relation to the Proposals.

**The risk factors pertaining to the enlarged AEI have been extracted, without material adjustment, from the AEI Information Memorandum and have broad similarities to the risk factors of investing in SHRS.**

### **5 TAXATION**

Shareholders are advised to read carefully the section titled "*UK Taxation*" in Part 3 of this document which sets out for information purposes only a general guide to certain aspects of the Scheme under current UK taxation law and HMRC published practice as at the date of this document.

**Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.**

## 6 ACTION TO BE TAKEN BY SHAREHOLDERS

**Before taking any action, Shareholders are recommended to read the further information set out in this document and the AEI Information Memorandum.**

### **Elections (for Ordinary Shareholders only)**

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

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

Full details of the action to be taken by Ordinary Shareholders in respect of their Elections are set out in the section of Part 3 of this document titled “*Elections*”.

### **The Shareholder Meetings**

The implementation of the Proposals will require approval by Shareholders: (i) at a separate class meeting of Ordinary Shareholders; and (ii) two General Meetings of the Company. The notices convening the First General Meeting, the Ordinary Shareholders’ Class Meeting and the Second General Meeting are set out at the end of this document. Voting at the Shareholder Meetings will be by poll. Each of the Shareholder Meetings will be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG.

Shareholders are advised to read carefully the section titled “*The Shareholder Meetings*” in Part 3 of this document which includes further details on the Shareholder Meetings and the action Shareholders should take to vote on the Proposals.

## 7 RECOMMENDATION

The Board, which has received independent financial advice from Winterflood in relation to the terms of the Combination, considers the Proposals and the Resolutions to be proposed at the Shareholder Meetings to be in the best interests of Shareholders as a whole. In providing advice to the Board, Winterflood has relied on the Board’s commercial assessment of the Combination.

**Accordingly, the Board unanimously recommends that (i) all Shareholders vote in favour of the Resolutions to be proposed at the First General Meeting and the Second General Meeting, and (ii) all Ordinary Shareholders vote in favour of the Resolution to be proposed at the Ordinary Shareholders’ Class Meeting, as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, which total 52,787 Ordinary Shares (representing 0.13 per cent. of the Company’s total voting rights).**

The Directors intend to roll over their entire beneficial holdings of Ordinary Shares into New AEI Shares. However, the Board cannot, and does not, give any advice or recommendation to Ordinary Shareholders as to whether, or as to what extent, they should elect for any of the options under the Scheme. The choice between the options available under the Scheme will be a matter for each Ordinary Shareholder to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Ordinary Shareholders should, before deciding what action to take, read carefully all the information in this document and in the AEI Information Memorandum.

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

**under FSMA. Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.**

Yours sincerely

**Robin Archibald**

*Chairman*

## PART 2

### INFORMATION ON ABERDEEN EQUITY INCOME TRUST PLC

The information in this Part 2 has been extracted, without material adjustment, from the AEI Information Memorandum. Shareholders are recommended to read the AEI Information Memorandum.

#### 1 INTRODUCTION AND HISTORY

AEI is a closed-ended investment company incorporated on 24 September 1991 in England and Wales with registered number 2648152 and registered as an investment company under section 833 of the Companies Act 2006. AEI carries on business as an actively managed investment company and is an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.

AEI's shares are admitted to the closed-ended investment funds category of the FCA's Official List and are admitted to trading on the London Stock Exchange's Main Market. AEI intends to manage its affairs so that the AEI Shares continue to be a qualifying investment for inclusion in the stocks and shares component of an ISA.

As at the Latest Practicable Date, there were 50,521,522 fully paid AEI Shares in issue and the market capitalisation of AEI was approximately £216.7 million, the NAV of AEI was approximately £211.5 million and the Net Asset Value per AEI Share was 418.57 pence.

#### 2 MANAGEMENT ARRANGEMENTS, FEES AND ONGOING CHARGES RATIO

AEI's management arrangements mirror those of SHRS.

AEI has appointed abrdn Fund Managers Limited (being the Manager), a company authorised and regulated by the FCA, and a wholly owned subsidiary of Aberdeen Group plc, as AEI's alternative investment fund manager. The Manager will continue to be appointed as alternative investment fund manager to the enlarged AEI.

AEI's portfolio is managed by abrdn Investment Management Limited (the "Investment Manager") by way of a group delegation agreement in place between the Manager and the Investment Manager. The Investment Manager has sub-delegated fund administration to BNP Paribas. In addition, the Manager has sub-delegated secretarial services to abrdn Holdings Limited.

AEI's management fee is calculated as 0.55 per cent. per annum of net assets. The Manager also receives a separate fee for the provision of promotional activities to AEI. Following the implementation of the Scheme, the Manager will also receive an additional fixed fee of £120,000 per annum (linked to CPI) and has agreed that any management fees charged will be scaled back so that the OCR of AEI will not exceed 0.78 per cent. in any financial year.

AEI's latest published OCR in respect of the year ended 30 September 2025 was 0.84 per cent.. The OCR is calculated in accordance with guidance issued by the AIC, which is defined as the total of investment management fees and recurring administrative expenses, expressed as a percentage of the average daily net asset values over the period.

Management fees and finance costs are allocated 70 per cent. to capital and 30 per cent. to revenue in AEI's Statement of Comprehensive Income. This compares to SHRS' allocation of 60 per cent. to capital and 40 per cent. to revenue.

Following the implementation of the Scheme, the management agreement between the Manager and AEI will be terminable on not less than six months' notice, provided that such written notice of termination may not be served on the Manager earlier than the first anniversary of the Effective Date. AEI may terminate the management agreement on shorter notice provided that it pays compensation to the Manager in lieu of the unexpired contractual notice period.

#### Investment Team

Assuming that the Scheme is implemented then AEI's enlarged portfolio will be co-managed by Iain Pyle (the current manager of SHRS), with Thomas Moore (the current manager of AEI) as Lead Manager. The biographies for Thomas and Iain are set out below.

### **Thomas Moore, Senior Investment Director, UK Equities with Aberdeen Investments**

Thomas is a Senior Investment Director within the UK equities team at Aberdeen and has been the Lead Portfolio Manager of AEI since November 2011. Thomas has won numerous industry awards including Best Equity Income Trust at UK Investor Magazine awards (2025), Best Investment Trust for Income at Online Money Awards (2025), Platinum award for UK Equity Income at Portfolio Adviser (2016) and UK Equity Income Fund of the Year at the FT Adviser 100 Club Awards (2014 and 2015). Thomas specialises in Banks and Financial Services companies and was voted no.1 Pan-European buy side analyst in this sector in the Thomson Extel survey (2010). He began his career in 1998, joining Schroder Investment Management as Assistant Fund Manager, UK Equities. Thomas holds a BA in Economics and Politics and is an Associate of the CFA Society of the UK

### **Iain Pyle, Senior Investment Director, UK Equities with Aberdeen Investments**

Iain is a Senior Investment Director within the UK equities team at Aberdeen. He has been the manager of SHRS since 2018 and is also the manager of the Future Minerals thematic fund, as well as being part of the team managing Global income strategies. He has managed UK & European core and growth portfolios and has held sector coverage of the healthcare, pharmaceutical, energy, banking and construction sectors. Until January 2015 Iain was at Sanford Bernstein where he was a Vice President covering the European Energy sector. He previously worked for PwC as a consultant. Iain graduated with a MEng degree in Chemical Engineering from Imperial College London and with an MSc in Operational Research from Warwick Business School. He is a CFA charterholder and ACA.

## **3 PROPOSED AMENDED INVESTMENT OBJECTIVE AND POLICY**

AEI will submit an updated investment objective and policy for its shareholders to approve at the AEI General Meeting.

Subject to the approval of the proposed changes to AEI's investment objective and policy and conditional upon the Scheme becoming effective, AEI's updated investment policy will include SHRS' ability to invest in investment-grade fixed income securities and preference shares, as well as selective exposure to overseas equities in developed markets. Aside from these proposed changes the investment strategy of AEI will remain largely unchanged as a result of the Scheme and would, on the assumption that the Scheme is implemented, incorporate the preference share portfolio and non-UK listed holdings of SHRS. AEI will remain benchmark agnostic and its performance will continue to consider the FTSE All-Share Index as its reference index, recognising AEI's primary exposure being to UK listed equities.

The full text of the proposed amended investment objective and investment policy is set out below. Additions to the investment objective and investment policy are indicated with underlining, and deletions are indicated with strikethrough. The Proposals are not conditional on the approval of the proposed amendments but the proposed amendments will not be adopted in the event that the Scheme does not become effective.

### **Investment Objective**

AEI's objective is to provide shareholders with a progressive dividend and long-term capital growth from a portfolio invested predominantly in UK listed equities~~an above average income from their equity investment, while also providing real growth in capital and income.~~

### **Investment Policy**

The Directors set the investment policy, which is to:

- invest in a diversified portfolio ~~consisting mainly of quoted~~ predominantly invested in UK-listed equities;
- ~~which~~ the portfolio will normally comprise between 50 and 70 individual equity holdings; and
- AEI may invest in ~~convertible~~ preference shares (including convertibles), convertible loan stocks, gilts, and corporate bonds, and may invest in derivatives for efficient portfolio management and income generation.

## Investment Limits

In order to reduce risk in AEI without compromising flexibility, the following limits have been set:

- no holding within the portfolio should exceed 10% per cent. of AEI's total assets at the time of acquisition;
- the top ten holdings within the portfolio will not exceed 50% per cent. of net assets;
- no holding in any one issuer, including both equity and debt positions, should exceed 10 per cent. of the total assets at the time of acquisition;
- a maximum of 20 per cent. of total assets may be invested in the equity securities of overseas companies in developed markets at the time of acquisition; and
- a maximum of 20 per cent. of total assets may be invested in investment grade fixed income bearing securities at the time of acquisition.

Limits in relation to preference shares

- a maximum of 7.5 per cent. of AEI's total assets may be invested in the preference shares of any one company at the time of acquisition; and
- AEI may not hold more than 10 per cent. of any investee company's preference shares at the time of acquisition.

Limits in relation to trading option contracts

- call options are to be covered by stock;
- put options written are to be covered by net current assets/borrowing facilities;
- call options are not to be written on more than 10 per cent. of the equity portfolio; and
- put options are not to be written on more than 10 per cent. of the equity portfolio.

## Gearing policy

The AEI Directors set the gearing policy within which the portfolio is managed. The parameters are that the portfolio should operate between holding 5 per cent. net cash and up to 15 25 per cent. net gearing at the time of drawdown. The AEI Directors have delegated responsibility to the Manager for the operation of the gearing level within the above parameters.

AEI may only make material changes to its investment policy with the approval of AEI Shareholders in the form of an ordinary resolution. In addition, any material changes to AEI's investment policy will require the prior approval of the Financial Conduct Authority.

## 4 GEARING

On 23 June 2023, AEI agreed a new three-year £30 million revolving credit facility with the Royal Bank of Scotland International Limited, which expires on 23 June 2026.

The facility agreement contains the following covenants:

- Adjusted portfolio value will not be less than £120 million at any time.
- Gross borrowings will not exceed 25 per cent. of adjusted portfolio value.

As at the Latest Practicable Date, £22.5 million had been drawn down from the facility, at an all-in rate of 5.23 per cent..

Net gearing, which measures the total borrowings less cash and cash equivalents divided by AEI Shareholders' funds, expressed as a percentage, stood at 9.5 per cent. at 30 January 2026. Under AIC reporting guidance, cash and cash equivalents include amounts due from and to brokers at the period end as well as cash and short-term deposits.

SHRS is the borrower under a fixed term loan facility with The Royal Bank of Scotland International Limited (London Branch) as lender, under which, as at the date of this document, £10 million has been drawn down and is outstanding. The Term Loan has a fixed interest rate of 3.903 per cent., is repayable in May 2027 and is unsecured. Due to the attractive interest rate on the Term Loan, it is intended that AEI will, in conjunction with the implementation of the Scheme, take over responsibility

as borrower under the Term Loan, conditional upon the Scheme becoming unconditional in all respects.

## **5 DIVIDEND POLICY**

AEI's dividend policy is to pay four interim dividends which are typically paid in January, March, June, and September, each year. In line with good corporate governance, the AEI Board puts AEI's dividend policy to its shareholders for approval at AEI's annual general meeting each year. The AEI Board remains committed to sustaining and growing AEI's dividend track record.

If the Scheme is implemented, the current AEI dividend policy will be maintained. The anticipated annual dividend of the enlarged AEI for the year to 30 September 2026 is not less than 23.1p per annum paid quarterly and AEI's dividend yield remains among the highest in the AIC UK Equity Income sector. It is intended that the dividend policy will be progressive with AEI aiming to increase its dividend each year and maintaining AIC "Dividend Hero" status.

Following completion of the Scheme, AEI will aim for the annual dividend cost to be covered largely by earned net income and, if necessary, revenue reserves. Realised profits from capital may also be used to cover any shortfall, at the discretion of the AEI Board.

New AEI Shares issued under the Scheme will rank fully *pari passu* with existing AEI Shares for all dividends declared by AEI with a record date falling after the date of the issue of those New AEI Shares.

The first AEI dividend that New AEI Shares will therefore rank for will be the interim dividend expected to be paid by AEI in June 2026.

## **6 DISCOUNT/PREMIUM MANAGEMENT**

The AEI Board believes that the selective use of share issuance from, and buybacks into, treasury (when market conditions warrant) is in the best interests of all AEI Shareholders. This approach helps manage the supply of and demand for AEI's shares, seeks to limit share price volatility, and protects long-term shareholder value. While it has not adopted any formal premium / discount targets which would dictate the point at which AEI would seek to issue or buyback AEI Shares, the AEI Board is committed to utilising its share issuance and buyback authorities granted annually by shareholders (where appropriate) in such a way as to mitigate the effects of any such supply / demand imbalance.

In considering whether the issuance or buying back of shares might be appropriate in any particular set of circumstances, the AEI Board will take into account, among other factors: the prevailing market conditions; the degree of NAV accretion that will result from the buyback or issuance; the cash resources readily available to AEI; the immediate pipeline of investment opportunities open to AEI; the level of AEI's existing borrowings; and AEI's working capital requirements.

In the three years to 31 January 2026, AEI Shares have traded at an average discount to the cumulative NAV of 1.76 per cent.. AEI has issued over £3.2m of AEI Shares over the last three years through regular tap issuance to satisfy demand, increasing the issued share capital by 6.6 per cent.. AEI is committed to a discount management policy, repurchasing its own shares, when considered appropriate, as set out above. AEI last bought back shares in 2022.

## **7 CONTINUATION RESOLUTION AND AMENDMENTS TO ARTICLES**

AEI does not have a fixed life, but AEI Shareholders have the opportunity to vote for the continuation of AEI every 5 years. According to the current AEI Articles, AEI's next continuation vote is scheduled to take place in 2027.

However, a resolution will be put to AEI Shareholders at the AEI General Meeting to continue AEI, thereby bringing forward the continuation vote scheduled for 2027. If approved by AEI Shareholders, the timetable for the next continuation vote will be reset to be held in 2031, being five years from 2026.

## 8 PERFORMANCE

AEI does not have a benchmark but uses the FTSE All-Share Total Return Index as its reference index. The table below sets out AEI's relative performance against this index over various time horizons to 31 January 2026:

Cumulative total return performance (%)	Price (p)	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	423.00	4.7	12.4	18.4	37.5	48.4	92.9
NAV	417.30	4.4	10.0	18.3	30.6	41.4	69.6
FTSE All-Share Index		3.1	5.7	12.7	21.1	44.5	80.8

Discrete total return performance (%)	31/01/26	31/01/25	31/01/24	31/01/23	31/01/22
Share Price	37.5	20.9	-10.7	2.8	26.4
NAV	30.6	22.3	-11.4	3.2	16.2
FTSE All-Share Index	21.1	17.1	1.9	5.2	18.9

Source: Aberdeen, total returns.

The percentage growth figures are calculated over periods on a mid to mid basis. NAV total returns are calculated on a cum-income basis.

## 9 BOARD OF ENLARGED AEI

The AEI Directors as at the date of this document are Sarika Patel (Chair), Caroline Hitch (Senior Independent Director), Mark Little (Chair of the Audit & Risk Committee), Nick Timberlake (Chair of the Remuneration & Management Engagement Committee) and Alice Ryder.

As Caroline Hitch has now reached her nine-year tenure, she will retire from the AEI Board at AEI's annual general meeting on 17 February 2026. Conditional upon the implementation of the Scheme, Simon White, who is currently on the Board of SHRS, will be appointed as a Non-Executive Director of AEI.

## 10 GENERAL

Further details of AEI, the New AEI Shares and the proposals for the enlarged AEI are set out in the AEI Information Memorandum. Ordinary Shareholders are strongly recommended to read the AEI Information Memorandum and in particular the risk factors contained therein before making an Election. The AEI Information Memorandum will be made available on the AEI website at [www.aberdeenequityincome.com](http://www.aberdeenequityincome.com).

## PART 3

### DETAILS OF THE PROPOSALS AND ACTION TO BE TAKEN BY SHAREHOLDERS

#### 1 OVERVIEW OF THE SCHEME

Pursuant to the Scheme, SHRS will be put into liquidation and its assets split notionally into three pools in respect of: (i) assets that are not suitable for either the Cash Pool or the Rollover Pool, including the right to receive any and all interest and assets representing withholding tax expected to be recoverable by the Company, and a provision sufficient to meet any current and future, actual and contingent liabilities of SHRS (being the Liquidation Pool); (ii) the interests of Ordinary Shareholders who elect (or are deemed to elect) for the Cash Option (being the Cash Pool); and (iii) the interests of continuing Ordinary Shareholders who are deemed to elect to roll over into the enlarged AEI (being the Rollover Pool), each as detailed fully in section 3 of Part 4 of this document.

The Scheme will be implemented on a formula asset value (“FAV”) to FAV basis. FAVs for the purposes of the Scheme will be calculated in accordance with SHRS’ and AEI’s normal accounting policies and will take into account the adjustments outlined below. FAVs will be calculated based on the NAVs (cum income, debt at fair value, if applicable) of the respective companies, on the Calculation Date.

Under the Scheme, Ordinary Shareholders will be entitled to elect to receive cash in respect of part or all of their shareholding, subject to an aggregate limit of 25 per cent. of the Company’s issued ordinary share capital (excluding any Ordinary Shares held in treasury) at the Calculation Date. Any Ordinary Shareholders who do not make a valid Election for the Cash Option (including to the extent any Elections for the Cash Option are scaled back on a *pari passu* and *pro rata* basis as a result of Elections for the Cash Option exceeding the limit set out above) will be issued New AEI Shares, subject to the separate arrangements for Excluded Shareholders detailed in the section titled “Overseas Shareholders” below in this Part 3.

The Cash Option will be offered at a discount of two per cent. to the SHRS Residual FAV. Subject to any scaling back referred to above, each Ordinary Shareholder who elects (or is deemed to elect) for the Cash Option will receive the net realisation proceeds of such portion of the Cash Pool to which they are entitled which is expected to be equal to the SHRS Cash FAV per Share multiplied by the total number of Ordinary Shares held by such Ordinary Shareholder that have been validly elected, or are deemed to have been elected, for the Cash Option.

The SHRS Residual FAV will be equal to the net assets of SHRS as at the Calculation Date (calculated in accordance with the Company’s normal accounting policies) less: (i) the value of the Company’s assets that are not suitable for either the Cash Pool or the Rollover Pool, including the right to receive any and all interest and assets representing withholding tax expected to be recoverable by the Company (estimated at approximately £170,000 as at the Latest Practicable Date), and which will be appropriated to the Liquidation Pool; and (ii) the value of the cash and other assets appropriated to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies (which include any assets attributable to any Dissenting Shareholders and holders of Preference Shares) as detailed in section 3 of Part 4 of this document.

The SHRS Cash Pool FAV (being the value of the Cash Pool on the Calculation Date) will be equal to the SHRS Residual FAV multiplied by the proportion of the issued ordinary share capital of the Company electing for, or deemed to have elected for, the Cash Option to the Company’s issued ordinary share capital (excluding any Ordinary Shares held by Dissenting Shareholders and excluding any Ordinary Shares held in treasury) less a discount of 2 per cent. (the “**Cash Option Discount**”).

The SHRS Cash FAV per Share (expressed in pence) will equal the SHRS Cash Pool FAV divided by the total number of Ordinary Shares in respect of which Ordinary Shareholders have elected, or are deemed to have elected, for the Cash Option, subject to an aggregate limit of 25 per cent. of the Company’s issued ordinary share capital (excluding Ordinary Shares held in treasury), and rounded down to six decimal places.

The value of the balance of the undertaking, cash and assets of the Company not appropriated to the Liquidation Pool or the Cash Pool will be the value of the Rollover Pool on the Calculation Date. The SHRS Rollover Pool FAV will be equal to the SHRS Residual FAV multiplied by the proportion

of the issued ordinary share capital of the Company not electing, or deemed to be electing, for the Cash Option to the Company's issued ordinary share capital (excluding any Ordinary Shares held by Dissenting Shareholders and excluding any Ordinary Shares held in treasury), plus an agreed amount reflecting the benefit of the relevant proportion of the Cost Contributions (as set out more fully under the section titled "*Costs of implementing the Proposals and the Aberdeen Costs Contribution*" below in this Part 3).

The SHRS Rollover FAV per Share (expressed in pence) will equal the SHRS Rollover Pool FAV divided by the total number of Ordinary Shares in respect of which Ordinary Shareholders are deemed to have elected for the Rollover Option and rounded down to six decimal places.

The AEI FAV will be equal to the AEI NAV (cum-income, debt at fair value) as at the Calculation Date: (i) less any AEI Implementation Costs yet to be paid or accrued in the AEI NAV as at the Calculation Date; (ii) less any dividend which has been declared but not accrued in the AEI NAV or paid as at the Calculation Date; and (iii) plus an agreed amount reflecting the benefit of the relevant proportion of the Cost Contributions (as set out more fully under the section titled "*Costs of implementing the Proposals and the Aberdeen Costs Contribution*" below in this Part 3).

The AEI FAV per Share (expressed in pence) will be equal to the AEI FAV divided by the number of AEI Shares in issue (excluding AEI Shares held in treasury) and rounded down to six decimal places.

Ordinary Shareholders who are deemed to have elected for the Rollover Option will have New AEI Shares issued to them based on the ratio of the SHRS Rollover FAV per Share to the AEI FAV per Share, multiplied by the number of Ordinary Shares in respect of which they are deemed to have elected for the Rollover Option. The SHRS Rollover FAV per Share, the SHRS Cash FAV per Share and the AEI FAV per Share, together with the total number of New AEI Shares to be issued under the Scheme is expected to be announced on 17 March 2026.

Preference Shareholders will not be entitled to participate in the Scheme and will instead receive their entitlements in cash in accordance with the provisions of the Company's Articles of Association applicable to a winding-up of the Company (being the principal amount of the Preference Shares outstanding plus accrued interest up to the date of the winding-up). By way of illustration, if the Effective Date were 5 February 2026, the amount of assets required to satisfy the entitlements of the Preference Shares in full would be equal to £50,613, representing the aggregate of £50,000 (being the amount of Preference Shares outstanding) and £613 (being the accrued dividend for the period from the last Preference Share dividend payment date to the Effective Date).

The choice between the options available under the Scheme will be a matter for each Ordinary Shareholder to decide and will be influenced by their investment objectives and by their personal, financial and tax circumstances. Accordingly, Ordinary Shareholders should, before deciding what action to take, read carefully all the information in this document and in the AEI Information Memorandum which is available at [www.aberdeenequityincome.com](http://www.aberdeenequityincome.com). Summary information on AEI (and the enlarged AEI) is also set out in Part 2 of this document. The AEI Information Memorandum should be read alongside, but does not form part of, this document.

### **Scheme mechanics and entitlements under the Scheme**

#### **Under the Scheme, Ordinary Shares (except for Excluded Shareholders):**

- (a) will be entitled to elect to receive cash in respect of some or all of their Ordinary Shares (being the Cash Option). The maximum number of Ordinary Shares (in aggregate) that can be elected for the Cash Option is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Ordinary Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Ordinary Shares (being the Basic Entitlement and such excess amount being an Excess Application). However, if aggregate Elections for the Cash Option exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Ordinary 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 Ordinary Shareholders who have made such Excess Applications; and

- (b) will by default receive New AEI Shares (being the Rollover Option) to the extent that they do not make a valid election for the Cash Option in respect of all or some of their Ordinary Shares or to the extent that their elections for the Cash Option are scaled back in accordance with the Scheme.

Each Excluded Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Ordinary Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of Part 4 of this document. To the extent that an Excluded Shareholder would otherwise receive New AEI Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash Option is scaled back), then such New AEI Shares will be sold by the Liquidators in the market and the net proceeds paid to the relevant Excluded Shareholder in accordance with paragraph 16.3 of Part 4 of this document.

In advance of the Effective Date, the Directors intend that the Company will have, to the extent practicable, realised and aligned the undertaking and business carried on by the Company so that, so far as practicable, the Company will hold (in addition to the assets destined to become the Cash Pool and Liquidation Pool) cash and investments suitable for transfer to AEI under the Transfer Agreement.

On the Calculation Date, or as soon as practicable thereafter, the Directors and Aberdeen, in consultation with the proposed liquidators, will procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools (the Liquidation Pool, the Cash Pool and the Rollover Pool) as described fully in section 3 of Part 4 of this document.

***For illustrative purposes only***

Had the Calculation Date for the Scheme been close of business on the Latest Practicable Date and assuming that no Ordinary Shareholders exercise their right to dissent from participation in the Scheme and 10 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) is elected for the Cash Option and after taking into account both the Company's Pre-liquidation Dividend (of 10 pence per Ordinary Share) and the AEI First Interim Dividend (of 5.7 pence per AEI Share), then the results would have been as shown in the table below:

<b>Metric</b>	<b>Pence per share</b>
SHRS NAV per Share*	312.46
SHRS Cash FAV per Share	304.01
SHRS Rollover FAV per Share**	311.78
AEI NAV per Share*	412.87
AEI FAV per Share	412.87
Resulting in:	
Conversion ratio	0.755152
New AEI Shares to be issued	26,785,640

\* adjusted for the Company's Pre-liquidation Dividend and the AEI First Interim Dividend, respectively.

\*\* the difference between the illustrative SHRS NAV per Share and the illustrative SHRS Rollover FAV per Share is attributable to the establishment of the Liquidation Pool.

**The above figures are for illustrative purposes only and do not represent forecasts. The SHRS Rollover FAV per Share, AEI FAV per Share and SHRS Cash FAV per Share and Shareholders' entitlements under the Scheme may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments. For the avoidance of doubt, the illustrative SHRS Rollover FAV per Share and the illustrative SHRS Cash FAV per Share do not take into account any Portfolio Realisation Costs as they are unquantifiable as at the Latest Practicable Date.**

**2 IMPLEMENTATION OF THE SCHEME**

Subject to the passing of the Scheme Resolutions (and satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 4 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool together, subject to the Term Loan being novated to AEI pursuant to the Scheme, with the obligations under the Term Loan shall be transferred to AEI. In consideration for the transfer of the Rollover Pool to AEI under the Transfer Agreement, the relevant numbers of New AEI Shares will be allotted to the Liquidators who will renounce the New AEI Shares in favour of the Ordinary Shareholders who are deemed to have elected for the Rollover Option (save for any Excluded Shareholders).

Shortly following the Effective Date, the Liquidators will distribute the cash held in the Cash Pool to the Ordinary Shareholders who have validly elected, or are deemed to have elected, for the Cash Option in accordance with their respective entitlements under the Scheme.

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting by the Liquidators) in discharging the liabilities of the Company, including but not limited to the distribution to the Preference Shareholders pursuant to their rights as set out in the Articles, and the payment of any outstanding debt facility that will not be transferred to AEI. The remaining balance of the Liquidation Pool (which may include interest and assets representing withholding tax recovered by the Company), if any, shall be distributed in cash by the Liquidators pursuant to the Scheme to all Ordinary Shareholders (in each case being those Ordinary Shareholders on the Record Date in proportion to the respective holdings of Ordinary Shares on the Record Date, other than Dissenting Shareholders) provided that if any such amount payable to any Ordinary Shareholder is less than £5.00 (after taking into account any expenses associated with making the distribution), it shall not be paid to the Ordinary Shareholder but instead shall be retained by the Liquidators and donated to a charity nominated by the Directors. The Liquidators will also be entitled to make interim payments to Ordinary 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.

### **3. COSTS OF IMPLEMENTING THE PROPOSALS AND THE ABERDEEN COSTS CONTRIBUTION**

#### **Costs of the Company**

The costs directly incurred (or to be incurred) by the Company in connection with the implementation of the Proposals primarily comprise legal fees, financial advisory fees, the remuneration payable to the Liquidators and other professional advisory fees (the “**SHRS Implementation Costs**”).

Aberdeen has agreed to waive any termination fees payable under its investment management agreement with the Company which will terminate upon completion of the Scheme. The SHRS Implementation Costs are expected to be approximately £616,345, inclusive of VAT, where applicable. The estimate of the Company's costs excludes the Liquidators' retention of £100,000 to cover unknown liabilities. 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 Ordinary Shareholders that were on the Register as at the Record Date.

The Company will also incur indirect costs when disposing of certain investments in the Company's portfolio in order to raise portfolio liquidity, including to pay the cash entitlements of Ordinary Shareholders who elect (or are deemed to elect) for the Cash Option and when realising and aligning the undertaking and business carried on by the Company so that, so far as practicable, the Company will hold cash and investments suitable for transfer to AEI under the Transfer Agreement (the “**Portfolio Realisation Costs**”).

#### **Costs of AEI**

The costs directly incurred (or to be incurred) by AEI in connection with the implementation of the Proposals primarily comprise legal fees, financial advisory fees and other professional advisory fees (the “**AEI Implementation Costs**”). The AEI Implementation Costs are expected to be approximately £726,623, inclusive of VAT, where applicable.

The enlarged AEI (including those Ordinary Shareholders who are deemed to have elected for the Rollover Option and receive New AEI Shares pursuant to the Scheme) will also bear:

- any stamp duty, stamp duty reserve tax or other transaction tax, or investment costs incurred by AEI in relation to the acquisition of the Rollover Pool or the deployment of the cash in the Rollover Pool upon receipt; and
- any listing or admission fees payable in respect of the New AEI Shares (the “**AEI Admission Fees**”),  
(together, the “**AEI Acquisition Costs**”).

For the avoidance of doubt the AEI Acquisition Costs will not be reflected in the AEI FAV.

#### **Aberdeen Costs Contribution**

Subject to the Scheme becoming effective, Aberdeen has agreed to fund the SHRS Implementation Costs (other than a *pro rata* share of such costs that is attributable to those Shareholders that elect or are deemed to have elected for the Cash Option after the application of any scale back), the AEI Implementation Costs and the AEI Admission Fees, to the extent not covered by the Cash Option Discount (the “**Aberdeen Costs Contribution**”).

The benefit of the Cash Option Discount and the Aberdeen Costs Contribution shall be apportioned between the SHRS Rollover Pool FAV and the AEI FAV such that the impact of the SHRS Implementation Costs, the AEI Implementation Costs and the AEI Admission Fees, net of the Cost Contributions, on the value of the holdings of the Ordinary Shareholders that are deemed to elect for the Rollover Option and the AEI Shareholders shall be nil.

The Aberdeen Costs Contribution will be made through a combination of an offset against future management fees, paid by the enlarged AEI, and a waiver in relation to management fees payable by SHRS to Aberdeen in the period up to the Effective Date.

In recognition of the Aberdeen Costs Contribution, and conditional upon the implementation of the Scheme, the investment management agreement in respect of AEI will be amended to include an initial one-year fixed term for Aberdeen from the Effective Date, reverting to termination on a rolling six-months’ notice thereafter.

In the event that the Scheme aborts, each of SHRS, AEI and Aberdeen will pay one third of any abort costs which as at the Latest Practicable Date are estimated to be £645,000 plus VAT in aggregate.

#### **4. CONDITIONS OF THE SCHEME**

Implementation of the Scheme is subject to:

- the passing of the Scheme Resolutions to be proposed at the relevant Shareholder Meetings, or any adjournment of those meetings, and upon any conditions of such Scheme Resolutions being fulfilled;
- the passing of the AEI Scheme Resolutions at the AEI General Meeting, or any adjournment of that meeting, and such resolutions becoming unconditional in all respects (if applicable);
- the Company obtaining the requested tax clearance and confirmations relating to the Scheme from HMRC;
- the London Stock Exchange agreeing to admit the New AEI Shares to trading on its Main Market, subject only to allotment; and
- the Directors and the AEI Directors resolving to proceed with the Scheme.

**Unless the conditions referred to above have been satisfied or, to the extent permitted, waived by both the Company and AEI on or before 30 June 2026, the Scheme will not become effective and instead the Company will continue in existence. In these circumstances, the Directors will reassess the options available to the Company at that time.**

## **5. AMENDMENT TO ARTICLES REGARDING ADJOURNED CLASS MEETINGS**

The implementation of the Scheme involves the variation or abrogation of the rights and privileges attached to the Ordinary Shares. This is due to the fact that the implementation of the Scheme involves the reclassification of Ordinary Shares into shares with different rights depending on the elections made or deemed to be made under the Scheme or Ordinary Shareholders validly dissent from the Scheme (as set out in the Scheme in Part 4 of this document).

The Articles provide that whenever the share capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class may, subject to companies law, be varied or abrogated: (i) in such manner (if any) as may be provided by those rights; or (ii) in the absence of such provisions, either with the consent in writing of holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held in treasury) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. The necessary quorum (other than at an adjourned meeting) at any such meeting is two members present in person (including, for the avoidance of doubt, a member present through a corporate representative) or by proxy, together holding not less than one third in nominal amount of the issued shares of the class in question (excluding any shares of that class held as treasury shares), unless all the shares of the class are registered in the name of a single member, in which case the quorum shall be that single member, and where a member is present by proxy, he shall be treated as holding only the shares in respect of which that proxy or those proxies are authorised to exercise voting rights.

The Articles also provide that where a quorum is not present within 30 minutes from the time appointed for a general meeting or separate meeting of a class of shares (or such longer interval as the chairman of the meeting may think fit to allow), or if during a meeting a quorum ceases to be present, if the relevant shareholder meeting was convened by the Directors, the meeting shall stand adjourned to such other day and at such time and place as may have been specified for the purpose in the notice convening the meeting or, if not so specified, as the chairman of the meeting (or, in default, the Directors) may determine, which may not be less than 10 clear days nor more than 28 clear days later.

The Resolution to be considered at the Ordinary Shareholders' Class Meeting (which will be proposed as a special resolution) will, if passed, approve the variation or abrogation of rights attached to the Ordinary Shares by virtue of the Scheme.

Given the history of the voting turnout at the Company's general meetings, the Directors are concerned that the quorum requirements at the Ordinary Shareholders' Class Meeting will not be met which would result in the timetable for the Scheme being unduly delayed in order to allow for the minimum 10 clear days' needed to hold the adjourned Ordinary Shareholders' Class Meeting. The Company is therefore seeking Shareholders' approval to amend the Articles to remove the requirement that separate meetings of a class of shares convened by the Directors which are adjourned for lack of quorum may not be reconvened less than 10 clear days after the original meeting. Subject to this Resolution being passed and if the quorum requirements are not met at the Ordinary Shareholders' Class Meeting, the Directors intend to hold the adjourned Ordinary Shareholders' Class Meeting shortly after the adjournment.

The proposed amendment to Articles contemplated by the Resolution will apply to general meetings and separate meetings of a class of shares convened by the Directors which are adjourned for lack of quorum. However, the existing requirement for a reconvened general meeting that is adjourned for a lack of quorum to be held not less than 10 clear days' after the original meeting will be preserved as it is a requirement of the Companies Act and the amended provision in the Articles is subject to the requirements of the Companies Act.

## **6. BORROWINGS**

SHRS is the borrower under a fixed term loan facility with The Royal Bank of Scotland International Limited (London Branch) as lender, under which, as at the date of this document, £10 million has been drawn down and is outstanding. The Term Loan has a fixed interest rate of 3.903 per cent., is repayable in May 2027 and is unsecured. Due to the attractive interest rate on the Term Loan, it is intended that AEI will, in conjunction with the implementation of the Scheme, take over responsibility as borrower under the Term Loan, conditional upon the Scheme becoming unconditional in all respects.

SHRS is also the borrower under a £9 million revolving credit facility with The Royal Bank of Scotland International Limited (London Branch) as lender. The intention of the Directors is that, to the extent not already repaid, this facility be repaid in full by the Company (acting by the proposed Liquidators) in connection with the Proposals using amounts attributed to the Liquidation Pool for such purpose and the facility cancelled.

## **7. TRANSFER AGREEMENT**

Provided that the Scheme is approved by Shareholders and becomes effective, the Liquidators (in their personal capacity and on behalf of the Company) will enter into the Transfer Agreement with the Company and AEI on or around the Effective Date pursuant to which the Rollover Pool will be transferred to AEI in consideration for the allotment of New AEI Shares to the Liquidators who will renounce the New AEI Shares in favour of the holders of Reclassified Shares with "A" rights on the basis described in Part 4 of this document, and, subject to the Term Loan being novated to AEI pursuant to the Scheme, AEI will assume the obligations under the Term Loan.

Each of the parties to the Transfer Agreement will agree and undertake to the others that, so far as may be within its respective power, it will take all such reasonable steps as may be necessary or desirable to implement the Scheme.

## **8 SHAREHOLDER MEETINGS**

**The implementation of the Proposals will require approval by Shareholders: (i) at a separate class meeting of Ordinary Shareholders; and (ii) two General Meetings of the Company. The notices convening the First General Meeting, the Ordinary Shareholders' Class Meeting and the Second General Meeting are set out at the end of this document. Voting at the Shareholder Meetings will be by poll. Each of the Shareholder Meetings will be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG.**

### **First General Meeting**

All Shareholders are entitled to attend and vote at the First General Meeting, which will be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG at 10.30 a.m. on 9 March 2026.

The first Resolution to be considered at the First General Meeting (which will be proposed as a special resolution) seeks Shareholders' approval to amend the Articles with effect from the passage of the Resolution, more details of which are set out above under the heading "*Amendment to Articles regarding adjourned class meetings*" above. The remainder of 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 set out in Part 4 of this document, amend the Articles to give effect to the Scheme and authorise the Liquidators to enter into and give effect to the Transfer Agreement with AEI, to distribute New AEI Shares to Ordinary Shareholders in accordance with the Scheme, to purchase the interests of any dissentients to the Scheme and to apply for the admission of the Ordinary Shares to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market to be cancelled 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.

### **Ordinary Shareholders' Class Meeting**

Only Ordinary Shareholders are entitled to attend and vote at the Ordinary Shareholders' Class Meeting, which will be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG at 10.45 a.m. on 9 March 2026.

The Resolution to be considered at the Ordinary Shareholders' Class Meeting (which will be proposed as a special resolution) will, if passed, approve the variation or abrogation of rights attached to the Ordinary Shares by virtue of 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.

### **Second General Meeting**

All Shareholders are entitled to attend and vote at the Second General Meeting, which will be held at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG at 9.00 a.m. on 17 March 2026.

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 relevant amendments to the Articles made pursuant to Resolutions 2 and 3 at the First General Meeting. The Resolution to be proposed at the Second General Meeting is conditional upon the passing of the Scheme Resolutions at the First General Meeting and such resolutions becoming unconditional, the approval by the London Stock Exchange of the admission to trading on the Main Market of the New AEI Shares, the AEI Scheme Resolutions being passed and becoming unconditional and the Directors and the AEI 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.

### **Voting on the Proposals**

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at each Shareholder Meeting at which they are entitled to vote and, if their Shares are not held directly, to arrange for their nominee to vote on their behalf, and to do so in good time in order to participate in the Shareholder Meetings. Forms of Proxy for use in conjunction with each Shareholder Meeting are enclosed.

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

- (a) by logging on to [www.shareview.co.uk](http://www.shareview.co.uk) and into your Shareview Portfolio and following the on-screen instructions. If you have not yet registered for a Shareview Portfolio, please go to [www.shareview.co.uk](http://www.shareview.co.uk) and enter the requested information; or
- (b) by completing and signing:
  - (i) the PINK Form of Proxy for use by all Shareholders in relation to the First General Meeting;
  - (ii) the GREEN Form of Proxy for use by all Shareholders in relation to the Second General Meeting; and
  - (iii) the BLUE Form of Proxy for use by Ordinary Shareholders only in relation to the Ordinary Shareholders' Meeting;in each case, in accordance with the instructions printed thereon and returning by post; 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 relevant notice of Shareholder Meeting(s);
- (d) in the case of an institutional investor, where desired, by appointing a proxy electronically via the Proxymity platform in accordance with the procedures set out in the notes to the relevant notice of Shareholder Meeting(s).

In each case, the proxy appointments must be transmitted so as to be received by the Registrar as soon as possible and, in any event, so as to arrive by no later than 48 hours (excluding non-working days) before the time of the relevant Shareholder Meeting. To be valid, the relevant proxy appointment should be completed in accordance with the instructions accompanying it and lodged with the Registrar by the relevant time.

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

Investors who hold Shares through an investment platform or other nominee service and who wish to appoint a proxy will need to contact the investment platform provider or nominee to instruct them accordingly. Such investors are recommended to contact the relevant investment platform provider or nominee well in advance of the deadlines for making proxy appointments set out in this document as the platform or nominee is likely to set an earlier deadline for receipt of instructions. Further information on how to vote across the most common investment platforms is available from the Association of Investment Companies at the following link: <https://www.theaic.co.uk/how-to-vote-your-shares>.

If any of the Scheme Resolutions to be proposed at the Shareholder Meetings are not passed, the Scheme 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.

## 9 ELECTIONS

### **Ordinary Shares held in uncertificated form (that is, in CREST)**

If you, as an Ordinary Shareholder holding Ordinary Shares in uncertificated form wish to make an Election for the Cash Option in respect of all or part of your holding of Ordinary Shares, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares for which you wish to make an Election for the Cash Option, specifying Equiniti 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 9 March 2026.

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 GB0008052507;
- (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, Equiniti, in its capacity as a CREST receiving agent. This is: 6RA06;
- (f) the member account ID of the escrow agent, Equiniti. This is: ABESHI01;
- (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 9 March 2026;
- (i) the standard delivery instruction with Priority 80; and
- (j) the contact name and telephone number inserted in the shared note field. These details must be provided in case of any queries arising.

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 Equiniti 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 9 March 2026. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

### **Ordinary Shares held in certificated form**

If you, as an Ordinary Shareholder who holds Ordinary Shares in certificated form (i.e. not in CREST) wish to make an Election for the Cash Option in respect of all or part of your holding of Ordinary Shares you should complete and sign the enclosed personalised Form of Election, by inserting "ALL" in Box 2 or if making a partial election, writing the number of Ordinary Shares you wish to elect for the Cash Option, and return the Form of Election using the relevant enclosed pre-paid envelope (for use within the UK only) to the Receiving Agent by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible but, in any event, so as to be received not later than 1.00 p.m. on 9 March 2026. Forms of Election, once submitted, will be irrevocable and may not be withdrawn or amended without the consent of the Directors.

If you hold Ordinary Shares in certificated form, but under different designations, you should complete a separate Form of Election in respect of each designation (as applicable).

If you hold Ordinary Shares in both certificated and uncertificated form, you should complete a Form of Election or a TTE Instruction for each holding (as applicable).

Investors who hold Ordinary Shares through a platform or nominee and who wish to make an Election will need to contact the platform or nominee to instruct them accordingly.

The default option for Ordinary Shareholders under the Scheme (other than for Excluded Shareholders) is to receive New AEI Shares, meaning that Ordinary Shareholders who, in respect of all or part of their holding of Ordinary Shares, do not make a valid Election will be deemed to have elected for New AEI Shares in respect of such holding. **Failure to return a Form of Election or a TTE Instruction, or the return of a Form of Election which is not validly completed, will result in the relevant Ordinary Shareholder being deemed to have elected for the Rollover Option in respect of their entire holding of Ordinary Shares.**

Shareholders who have any queries in relation to making an Election should contact the Receiving Agent, Equiniti, on +44 3713 842 145. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The Shareholder Helpline is open between 8.30 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

### **Scaling back of Elections for the Cash Option**

Ordinary Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Ordinary Shares (being the Basic Entitlement and such excess amount being an Excess Application). However, if aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Ordinary 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 Ordinary Shareholders who have made such Excess Applications.

## **10 SETTLEMENT AND DEALINGS IN NEW AEI SHARES**

If the Scheme becomes effective, the New AEI Shares will be admitted to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market of the London Stock Exchange and the first day of dealings will be 18 March 2026.

New AEI Shares will be issued in registered form and may be held in either certificated or uncertificated form. Ordinary Shareholders who held their Ordinary Shares in certificated form at the Record Date and who are deemed to have elected for New AEI Shares will receive their New AEI Shares in certificated form. It is expected that share certificates in respect of such New AEI Shares will be despatched to the Ordinary Shareholders entitled thereto not later than 31 March 2026. For security reasons, Ordinary Shareholders who are recorded in the books of the Registrar as “gone away” will not have their share certificate issued until they contact the Registrar.

Ordinary Shareholders who held their Ordinary Shares in uncertificated form at the Record Date and who are deemed to have elected for New AEI Shares will receive their New AEI Shares in uncertificated form on 18 March 2026, although AEI 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 AEI’s registrar in connection with CREST. AEI will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New AEI Shares in uncertificated form.

Fractional entitlements to New AEI Shares 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 which will be retained for the benefit of AEI.

Cash Entitlements due to Ordinary Shareholders who validly elect, or are deemed to elect, for the Cash Option are expected to be despatched by cheque, or by electronic payment, to the Ordinary Shareholders’ mandated bank or building society account as recorded by the Registrar not later than 31 March 2026. It is expected that Ordinary Shareholders who hold their Ordinary Shares in CREST will receive their Cash Entitlements through CREST not later than 31 March 2026.

To the extent that an Ordinary Shareholder already holds AEI Shares at the Record Date (and the AEI Registrar is able to match such holdings), any mandates and instructions in relation to those existing AEI Shares will also apply to any New AEI Shares received by that Ordinary 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 AEI Shares, please contact the AEI Registrar before the Record Date to amend or withdraw such mandates or instructions.

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

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

## **11 OVERSEAS SHAREHOLDERS**

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

- (a) the New AEI Shares have not been, and will not be, registered under the US Securities Act, and the New AEI Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act;
- (b) the New AEI 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 AEI 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 AEI Shares in the United States;
- (d) AEI 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, 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 Ordinary 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 AEI 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. Ordinary Shareholders who are subject to taxation outside the UK should consult their independent financial adviser as soon as possible.

Non-US Shareholders are deemed to represent to the Company and AEI 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).

An Overseas Shareholder (being a Shareholder who has a registered address outside, or who is resident in, or a citizen, resident or national of, a jurisdiction outside, the United Kingdom, the Channel Islands and the Isle of Man) will not be entitled to access the AEI Information Memorandum or entitled to receive New AEI Shares under the Scheme unless they have satisfied the Company, AEI and the Liquidators (taking appropriate advice), that they are entitled to receive and hold New AEI Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company and/or AEI with any overseas laws, regulations, filing requirements or the equivalent.

Overseas Shareholders who wish to receive New AEI Shares under the Scheme should therefore contact the Company directly as soon as possible at [shires.income@aberdeenplc.com](mailto:shires.income@aberdeenplc.com) and, in any event, by no later than 5.00 p.m. on 8 March 2026 if they are able to demonstrate, to the satisfaction of the Company, AEI and the Liquidators (taking appropriate advice), that they can be issued New AEI Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company and AEI with any overseas laws, regulations, filing requirements or the equivalent. If an Overseas Shareholder does not contact the Company and provide the required evidence as noted above, such Overseas Shareholder will be an Excluded Shareholder.

Each Excluded Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Ordinary Shares. To the extent that an Excluded Shareholder is entitled to and would otherwise receive New AEI Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash Option is scaled back), such New AEI 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 or the value of the Ordinary 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) in respect of each Excluded Shareholder who is not also a Sanctions Restricted Person, to the relevant Excluded Shareholder entitled to them as soon as reasonably practicable (with payment expected to be made 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; 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. The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be despatched by cheque, or by electronic payment, to the Ordinary Shareholders' mandated bank or building society account as recorded by the Registrar.

## **12 DISSENTING SHAREHOLDERS**

Provided that a Shareholder does not vote in favour of the Scheme Resolutions to be proposed at the First General Meeting, such Shareholder may, within seven days of the passing of the Scheme 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 of the relevant class in an ordinary winding-up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders and after repayment of the liabilities of the Company.

The realisation value of an Ordinary Share is expected to be below the unaudited cum-income Net Asset Value per Ordinary Share. The realisation value of a Preference Share is expected to be equal to the entitlement of a Preference Share under the Company's Articles of Association under the winding-up of the Company. The Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled. Dissenting Shareholders should note that it may take an extended period of time for the liquidation process to end and for their Shares to be purchased by the Liquidators.

### **13 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 AEI and who hold their New AEI Shares in certificated form may be sent a document along with their new share certificate in the enlarged AEI, which those Shareholders should complete and return to AEI or its agent.

### **14 UK TAXATION**

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

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

#### **(a) 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 immediately before the Company is placed into members' voluntary liquidation. The Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement under regulations 15 and 16 of The Investment Trust (Approved Company) (Tax) Regulations 2011. Assuming that the Company does retain investment trust status, the transfer of the Company's assets in the Rollover Pool and the realisation of the Company's assets in the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK taxation on 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 any net capital gains in that period.

#### **(b) Shareholders**

##### *a. Reclassified Shares*

For the purposes of UK taxation of chargeable gains, an Ordinary Shareholder should not be regarded as having disposed of their Ordinary Shares on the reclassification of the Ordinary Shares into Ordinary Shares with "A" rights or Ordinary Shares with "B" rights (as relevant). Instead, the Ordinary 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 Ordinary Shares.

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

*b. Cash Option*

Ordinary Shareholders who receive cash under the Scheme pursuant to the Cash Option will be regarded as having made a disposal of their Ordinary 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 Ordinary Shares with "A" rights for New AEI 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 Ordinary Shares with "A" rights for the purposes of the UK taxation of chargeable gains. Instead, the New AEI Shares issued pursuant to the Rollover Option should be treated as replacing the Ordinary 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 amount as the Ordinary Shares with "A" rights.

Any subsequent disposal of the New AEI Shares may result in the holder of those New AEI 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 4 of this document, the remaining balance of the Liquidation Pool after the discharge of the Company's liabilities (which may include interest and assets representing withholding tax recovered by the Company), if any, shall be distributed in cash to the Ordinary Shareholders on the Register on the Record Date, excluding any Dissenting Shareholders. The Liquidators will also be entitled to make interim payments to Ordinary 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.

The receipt by an Ordinary Shareholder of any such cash distribution should prima facie be treated as consideration for a disposal of the relevant Ordinary Shares and that Ordinary Shareholder may be subject to UK taxation on any resulting chargeable gain, depending on its particular circumstances.

However, in the event that the amount distributed is small for the purposes of section 122(2) of the Taxation of Chargeable Gains Act 1992 (as amended from time to time) (the "TCGA") as compared with the value of the shares in respect of which it is, or is treated as being distributed, the Ordinary Shareholder may instead treat the amount distributed as being deducted from its base cost in the relevant shares.

*e. HMRC clearance*

Ordinary Shareholders are advised that the Company has applied to HMRC for clearance pursuant to section 138 of TCGA confirming that the treatment described above under the heading "Rollover Option" is not to be prevented, by the application of section 137(1) of TCGA. The Company has also requested HMRC to confirm that no counteraction notice under section 698 of the Income Tax Act 2007 or section 746 of the Corporation Tax Act 2010, as amended, should be served in respect of the transaction. Implementation of the Scheme is conditional on such clearance and confirmation being given by HMRC to the Company.

*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 or allowable capital loss for the purposes of UK taxation of chargeable gains.

*g. ISAs and SIPPS*

New AEI Shares are eligible for inclusion in an ISA or SIPP. Accordingly, where Ordinary Shares currently held within an ISA or SIPP are exchanged for New AEI Shares pursuant to the Rollover Option, those New AEI Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP.

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

*h. Preference Shareholders*

The receipt by a Preference Shareholder of the cash distribution should prima facie be treated as consideration for a disposal of the relevant Preference Shares and that Preference Shareholder may be subject to UK taxation on any resulting chargeable gain, depending on its particular circumstances.

The statements above relating to the taxation of the Preference Shareholders in respect of the Preference Shares assume that the "disguised interest" rules contained in Chapter 2A of Part 4 of the Income Tax (Trading and Other Income) Act 2005, as amended, and Chapters 2A and 6A of Part 6 to the Corporation Tax Act 2009, as amended, do not apply. The disguised interest provisions can apply where there are arrangements relating to shares which would produce a return which is "economically equivalent to interest", one of the requirements for which is that there must be no "practical likelihood" that the return will cease to be produced. Were these provisions to apply, certain amounts received by Preference Shareholders in relation to a disposal of their Preference Shares could be subject to tax as income, rather than capital. HMRC's published guidance confirms that an investment portfolio genuinely exposed to investment risk is unlikely to be caught by these rules.

*i. UK 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 Ordinary Shareholders of New AEI Shares under the Rollover Option.

## PART 4

### THE SCHEME

#### 1 DEFINITIONS AND INTERPRETATION

Words and expressions defined on pages 51 to 58 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 4, any Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of this Part 4 and shall be treated as if those 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 (or deemed to be elected) for the Cash Option is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Each Ordinary Shareholder who validly elects (or is deemed to elect) to receive the Cash Option in respect of up to 25 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**”). Ordinary Shareholders are entitled to elect to receive cash in respect of more than their Basic Entitlement (such excess amount being an “**Excess Application**”). However, in the event that aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Ordinary 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 Ordinary Shareholders who have made such Excess Applications, such that the aggregate number of Ordinary Shares so elected shall equal 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Ordinary Shareholders (including Excluded Shareholders) will be deemed to have made an Election for the Rollover Option in respect of Ordinary Shares held by them which are subject to such scaling. Subject to the separate arrangements for Overseas Shareholders detailed below, New AEI Shares will be issued on the basis set out in paragraph 8 of this Part 4 as the default option under the Scheme in the event that either no Election, or a partial Election, for the Cash Option is made by an Ordinary Shareholder (i.e. Ordinary Shareholders will be deemed to have made an Election for the Rollover Option in respect of Ordinary Shares in relation to which they do not make a valid Election for the Cash Option).
- 2.2 Subject to the second Resolution in the notice of First General Meeting being passed and becoming unconditional and the Resolution in the notice of Ordinary Shareholders’ Class Meeting being passed:
- (a) the Ordinary Shares in respect of which the holders are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 4) 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: (i) have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 4), valid Elections for the Cash Option; or (ii) validly dissent from the Scheme under section 111(2) of the Insolvency Act, will be reclassified as Ordinary Shares with “B” rights (save that, any Dissenting Shareholder holding Ordinary Shares with “B” rights will not be entitled to receive any distribution of proceeds under the Cash Option).
- 2.3 The rights of the Ordinary Shares following the passing of such Resolutions will be the rights as set out in Article 5.3 to be inserted in the Articles pursuant to the second Resolution contained in the notice of the First General Meeting and references to Ordinary 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 aligned the undertaking and business carried on by the Company in accordance with the Scheme and the Elections made or deemed to have been made thereunder so that, so far as practicable, the Company will hold (in addition to the

assets destined to become the Cash Pool and Liquidation Pool) cash and investments suitable for transfer to AEI under the Transfer Agreement.

- 2.5 Holders of Reclassified Shares with “A” rights will receive such number of New AEI Shares as is calculated pursuant to paragraph 8.1 of this Part 4.
- 2.6 Save for the Reclassified Shares with “B” rights held by Dissenting Shareholders (who shall have their Reclassified Shares with “B” rights purchased by the Liquidators from cash reserved to the Liquidation Pool), 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 SHRS 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 GROSS ASSETS**

- 3.1 Subject to the Scheme Resolutions in the notice of First General Meeting and the Resolution in the notice of Ordinary Shareholders’ Class Meeting being passed at such meetings, 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 SHRS Residual FAV, the SHRS Rollover Pool FAV, the SHRS Rollover FAV per Share, the SHRS Cash Pool FAV and the SHRS 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 Aberdeen, 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:
    - (i) assets that are not suitable for either the Cash Pool or the Rollover Pool, including the right to receive any and all interest and assets representing withholding tax expected to be recoverable by the Company (estimated at approximately £170,000 as at the Latest Practicable Date); and
    - (ii) 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 4, 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 (but not paid) and to be incurred by the Company and the proposed Liquidators in formulating, preparing and implementing the Proposals and the Scheme (including any costs and expenses associated with the termination of the provision of services by any of the Company’s service providers) 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 proposed 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 Registrar;
      - (F) any tax liabilities of the Company;

- (G) any outstanding debt on the Company's balance sheet due and payable to the Company's creditors (including any outstanding borrowings), excluding, subject to the Term Loan being novated to AEI pursuant to the Scheme, any amounts in respect of the Term Loan;
- (H) the entitlements to repayment of capital and to payment of accrued interest up to the Effective Date of the Preference Shares; 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:
  - (i) there shall first be appropriated to the Cash Pool such proportion of the undertaking, cash and other assets as shall equal the SHRS Cash Pool FAV as set out in paragraph 4.5 of this Part 4; and then
  - (ii) there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and assets of the Company, 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 AEI (provided that, subject to the Term Loan being novated to AEI pursuant to the Scheme, assets equal to the fair value (as determined by the Directors for the purposes of the Scheme) of the Term Loan and the obligations of the Company under the Term Loan shall be allocated to the Rollover Pool).

3.3 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 and liabilities 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) unquoted investments or quoted investments which are subject to restrictions on transferability or which, in the opinion of the Directors (or a duly constituted committee thereof) are otherwise illiquid shall be valued at their fair value as determined by the Directors;
- (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 (with the Term Loan being accounted for at fair value).

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 Manager, AEI, the AEI 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.
- 4.4 The SHRS Residual FAV will be equal to the net 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 in accordance with paragraph 3.2 above.
- 4.5 The SHRS Cash Pool FAV will be equal to the SHRS Residual FAV multiplied by the proportion of Reclassified Shares with "B" rights to the total number of Reclassified Shares (excluding any Ordinary Shares held by Dissenting Shareholders and excluding any Ordinary Shares held in treasury) less a discount of 2 per cent.. The SHRS Cash FAV per Share (expressed in pence) will be equal to the SHRS Cash Pool FAV divided by the total number of Reclassified Shares with "B" rights (excluding any Ordinary Shares held by Dissenting Shareholders and any Ordinary Shares held in treasury), and rounded down to six decimal places.
- 4.6 The SHRS Rollover Pool FAV will be equal to the SHRS Residual FAV multiplied by the proportion of Reclassified Shares with "A" rights to the total number of Reclassified Shares (excluding any Ordinary Shares held by Dissenting Shareholders and excluding any Ordinary Shares held in treasury), plus an agreed amount reflecting the benefit of the relevant proportion of the Cost Contributions (as set out more fully under the section titled "*Costs of implementing the Proposals and the Aberdeen Costs Contribution*" in Part 3 of this document). The SHRS Rollover FAV per Share (expressed in pence) will be equal to the SHRS Rollover Pool FAV divided by the total number of Reclassified Shares with "A" rights and rounded down to six decimal places.

## **5 PROVISION OF INFORMATION BY THE LIQUIDATORS**

On the Effective Date the Liquidators will procure that there shall be delivered to AEI (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Registrar, of the names and addresses of each holder of Reclassified Shares with "A" rights and the number of Reclassified Shares with "A" rights held by each of them as well as confirmation as to which Shareholders should be considered Excluded Shareholders as per the terms of the Scheme.

## 6 TRANSFER OF ASSETS AND LIABILITIES

- 6.1 On the Effective Date, AEI 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 (and, subject to the Term Loan being novated to AEI pursuant to the Scheme, the obligations under the Term Loan) of the Company comprising the Rollover Pool, to AEI (or its nominee), in consideration for the allotment of New AEI 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 AEI 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 AEI (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to AEI 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 (which shall not have been deemed to form part of the Liquidation Pool on the basis set out above).

## 7 DISTRIBUTION OF THE CASH POOL

Cash Entitlements payable to the holders of Reclassified Shares with “B” rights (except for Dissenting Shareholders who shall have their Reclassified Shares purchased by the Liquidators from cash reserved in the Liquidation Pool) shall be distributed by the Liquidators, through the Receiving Agent and pursuant to the Scheme, in cash in sterling to each such holder who has elected or is deemed to have elected for the Cash Option in proportion to its respective holding of Reclassified Shares with “B” rights. The Cash Entitlement shall be equal to such Shareholder’s *pro rata* entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme, rounded down to the nearest penny.

## 8 ISSUE OF NEW AEI SHARES

- 8.1 In consideration for the transfer of the Rollover Pool to AEI in accordance with paragraph 6 above, the New AEI Shares shall be issued to holders of Reclassified Shares with “A” rights on the basis described in this paragraph 8 (in addition, subject to the Term Loan being novated to AEI pursuant to the Scheme, to the assumption by AEI of the obligations under the Term Loan pursuant to the novation of the Term Loan). The number of New AEI Shares to which each holder of Reclassified Shares with “A” Rights is entitled shall be determined in accordance with the following formula (rounded down to the nearest whole number of New AEI Shares):

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

where:

- A is the SHRS Rollover FAV per Share (as at Calculation Date);  
B is the AEI 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. Ordinary Shares which are held in treasury shall have no entitlements under the Scheme. Fractions of New AEI Shares will not be issued under the Scheme and entitlements to such New

AEI 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 AEI Shares is rounded down shall be retained by AEI and represent an accretion to its assets.

8.3 The New AEI Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid and free from all liens, charges and encumbrances, to the Liquidators (as nominees for the Ordinary Shareholders entitled thereto) as soon as practicable after the delivery to AEI (or its nominee) of the particulars referred to in paragraph 5 above, whereupon the Liquidators will renounce the allotments of New AEI Shares in favour of Ordinary Shareholders entitled to them under the Scheme. On such renunciation, AEI will issue the New AEI Shares to the Ordinary Shareholders entitled thereto. AEI shall:

- (a) in the case of the New AEI Shares issued in certificated form, arrange for the despatch of certificates for such shares issued under the Scheme to the Ordinary 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 AEI 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 Ordinary Shareholders entitled thereto with their respective entitlements to New AEI Shares issued under the Scheme.

8.4 AEI 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 AEI register of members of the holders of the New AEI 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 by the Liquidators) in discharging the liabilities of the Company, including but not limited to the distribution to the Preference Shareholders pursuant to their rights as set out in the Articles. The remaining balance of the Liquidation Pool (which may include interest and assets representing withholding tax recovered by the Company), if any, shall be distributed in cash in sterling by the Liquidators pursuant to the Scheme to all Ordinary Shareholders (in each case being those Ordinary Shareholders on the Record Date in proportion to their respective holdings of Ordinary Shares on the Record Date, other than Dissenting Shareholders) provided that if any such amount payable to any Ordinary Shareholder is less than £5.00 (after taking into account any expenses associated with making the distribution), it shall not be paid to the Ordinary Shareholder but instead shall be retained by the Liquidators and donated to a charity nominated by the Directors. The Liquidators will also be entitled to make interim payments to Ordinary Shareholders. 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 and any Ordinary Shares held in treasury 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 an Ordinary Shareholder's Election is greater than their actual holding as at the Record Date, each Election made by such Ordinary Shareholder on that Form of Election shall be decreased, *pro rata* where more than one Election is made in respect of the relevant Election, 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 Ordinary Shareholder on the Form of Election for all purposes of this Scheme;
- (b) if, on any Form of Election, the total of an Ordinary Shareholder's Elections is less than their actual holding as at the Record Date, then for the balance of such Ordinary Shareholder's

Ordinary Shares, that Ordinary Shareholder will be deemed to have elected for the Rollover Option;

- (c) an Ordinary 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 in this document and the Form of Election, shall be deemed to have made an Election for the Rollover Option in respect of all of the Ordinary 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, an Ordinary 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 Ordinary 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, Aberdeen, the AEI Directors and AEI 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), Aberdeen, AEI, the AEI Directors (or any of them), or the Registrar, auditors, bankers, managers, custodians or other professional advisers to the Company or to AEI, and no such person shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, AEI or any AEI Shareholder.

## **13 LIQUIDATOR'S 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 (or either of them) in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of AEI.

## **14 CONDITIONS**

14.1 The Scheme is conditional upon:

- (a) the recommendation of the boards of the Company and AEI to proceed with the Scheme which may be withdrawn by either board at any time;
- (b) the passing of the Scheme Resolutions to be proposed at the relevant Shareholder Meetings, or any adjournment of those meetings, and upon any conditions of such resolutions being fulfilled;
- (c) the passing of the AEI Scheme Resolutions at the AEI General Meeting, or any adjournment of that meeting, and such resolutions becoming unconditional in all respects (if applicable);
- (d) clearance being granted by HMRC under section 138 of the TCGA confirming that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA and HMRC confirming that no counteraction notice under

section 698 of the Income Tax Act 2007 nor under section 746 of the Corporation Tax Act, as amended, should be served in respect of the transaction; and

- (e) the London Stock Exchange agreeing to admit the New AEI Shares to trading on its Main Market, subject only to allotment of the New AEI Shares.

- 14.2 In the event that any of the conditions in paragraph 14.1 fails to be satisfied (other than in relation to the Scheme 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 AEI on or before 30 June 2026, the Scheme shall not become effective.
- 14.6 An application will be made to the FCA for the listing of the Reclassified Shares to be suspended, subject to paragraphs 14.1(a), 14.1(b) (other than in relation to the Resolution to be proposed at the Second General Meeting), 14.1(c) and 14.1(d) above, at 7.30 a.m. on 17 March 2026 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 DISSENTING SHAREHOLDERS**

- 15.1 If, within seven days after the passing of the Scheme 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 10 per cent. of, in aggregate, the nominal value of issued share capital of the Company, the Directors (or a duly authorised committee of the Board) 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 of the Board) 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).
- 15.2 The Liquidators will purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share of the relevant class in an ordinary winding-up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders and after repayment of the liabilities of the Company. The realisation value of an Ordinary Share is expected to be below the unaudited cum-income NAV per Ordinary Share. The realisation value of a Preference Share is expected to be equal to the entitlement of a Preference Share under the Company's Articles of Association under the winding-up of the Company. The Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled, which may occur more than 12 months following the date on which the Company enters liquidation.

## **16 EXCLUDED SHAREHOLDERS**

- 16.1 To the extent that the Company, AEI, and/or the Liquidators (having taken appropriate advice), acting reasonably, consider that any issue of New AEI Shares under the Scheme to an Overseas Shareholder(s) would or may involve a breach of the securities laws or regulations of any jurisdiction, or if AEI, and/or the Liquidators (having taken appropriate advice) reasonably believe that the same may violate any applicable legal or regulatory requirements or may require the Company or AEI to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and AEI and/or the Liquidators, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Overseas Shareholder(s) is/are permitted to hold New AEI Shares under any relevant securities laws or regulations of such Overseas Jurisdictions (or that the Company or AEI

would not be subject to any additional regulatory requirements to which it would not be subject but for such issue), any such Overseas Shareholder(s) will be treated as an Excluded Shareholder.

- 16.2 Each Excluded Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Ordinary Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of this Part 4.
- 16.3 Excluded Shareholders will not receive New AEI Shares pursuant to the Scheme. To the extent that an Excluded Shareholder is due to receive New AEI Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash Option is scaled back), then such New AEI Shares will instead be issued to the Liquidators (as nominee on behalf of such Excluded Shareholder) who will arrange for the New AEI Shares to be sold on the stock market promptly by a market maker (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Excluded Shareholder or the value of the Ordinary 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:
- (a) in respect of each Excluded Shareholder who is not also a Sanctions Restricted Person, to the relevant Excluded Shareholder entitled to them as soon as practicable (with payment expected to be made 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; or
  - (b) in respect of each Sanctions Restricted Person, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.
- 16.4 The provisions of the Scheme relating to Excluded Shareholders may be waived, varied or modified as regards a specific Ordinary Shareholder or on a general basis by the Directors and the AEI Directors in their respective absolute discretions.

## **17 GENERAL**

- 17.1 Any instructions for the payment of dividends on Ordinary Shares and other instructions, including communication preferences given to the Company by Shareholders, in force on the Effective Date and lodged with the Company and/or the Registrar shall, unless and until revoked by notice in writing to the Registrar, 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 AEI Shares under the Scheme. To the extent that an Ordinary Shareholder already holds AEI Shares at the Record Date (and the AEI Registrar is able to match such holdings), any mandates and instructions in relation to those existing AEI Shares will also apply to any New AEI Shares received by that Ordinary 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 AEI Shares, please contact the AEI Registrar before the Record Date to amend or withdraw such mandates or instructions.
- 17.2 The Scheme shall be governed by, and construed in accordance with, the laws of England.

## PART 5

### 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 Resolutions at the Shareholder Meetings. Any investment in the enlarged AEI (pursuant to the Scheme or otherwise) will be governed by the AEI Articles. The risks set out below under the heading “*Risks associated with the enlarged AEI*” are taken from the AEI Information Memorandum. Shareholders in any doubt as to the contents of this document or as to what action to take, should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA if you are in the United Kingdom or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom, without delay.

#### The Scheme

Implementation of the Scheme is conditional, among other things, upon the passing of the Scheme Resolutions at the Shareholder Meetings and the AEI Scheme Resolutions at the AEI General Meeting. In the event that any condition of the Scheme is not met, the Scheme 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 aligned the business carried on by the Company, including in order to repay any outstanding debt facility that will not be transferred to AEI and to fund the Cash Option and 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 reduction in gearing would be a drag on returns. 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.

In the event that the Scheme aborts, each of SHRS, AEI and Aberdeen will pay one third of any abort costs. Accordingly, if the Scheme is not implemented, the Company will still bear its share of the costs of the Proposals up to the point of abort, as well as any costs relating to the realisation or alignment of its portfolio incurred up to that point.

Equity stock markets could be volatile over the near term and during the period of the realisation or alignment of the Company’s portfolio, which could result in the Company’s portfolio performing differently from others in its peer group. Over this period there may be less liquidity in stock markets which could adversely affect the performance of the Company during the realisation and alignment process, including in order to repay any outstanding debt facility that will not be transferred to AEI and to fund the Cash Option and to fund the Liquidation Pool.

Shareholders’ illustrative entitlements set out in Part 1 and Part 3 of this document should not be regarded as forecasts. The SHRS Rollover FAV per Share, the AEI FAV per Share and the SHRS Cash FAV per Share and Shareholders’ entitlements under the Scheme may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments.

If an Ordinary Shareholder wishes to elect for more than their Basic Entitlement under the Cash Option and total Elections for the Cash Option made by all Ordinary Shareholders are greater than 25 per cent. of the total issued Ordinary Shares (excluding Ordinary Shares held in treasury) at the Calculation Date, then such Ordinary Shareholder’s Excess Application will be scaled back resulting in such Ordinary Shareholder receiving New AEI 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 of the relevant class in an ordinary winding-up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders and after repayment of the liabilities of the Company.

The realisation value of an Ordinary Share is expected to be below the prevailing unaudited cumulative NAV per Ordinary Share and the Liquidators may not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled. Dissenting Shareholders should note that it may take an extended period of time for the liquidation process to end and for their Shares to be purchased by the Liquidators.

### **Risks associated with the enlarged AEI**

**Any investment in the New AEI Shares issued by AEI will be governed by the AEI Articles. Shareholders should read the full text of the AEI Information Memorandum, including the section containing risk factors.**

#### *Risks relating to AEI's business and structure*

##### Reliance on third-party service providers

AEI, like the Company, does not have employees and relies on third-party service providers (including the Manager) for its operations. Any failure by these third-party service providers to fulfil their obligations could negatively impact AEI's performance and the value of the AEI Shares.

##### Cybersecurity and operational risks

AEI and its service providers are exposed to risks from cyber incidents, operational failures, or external events (such as natural disasters). Such events could disrupt AEI's operations, result in financial loss or damage AEI's reputation.

#### *Risks relating to AEI's investment objective and policy*

##### No guarantee of meeting AEI's investment objective

There is no assurance that AEI will achieve its stated investment objective. The success of AEI depends on the Investment Manager's ability to implement AEI's strategy effectively, which is subject to market conditions and other factors outside AEI's control. Past performance is not indicative of future results.

##### Income generation risk

AEI aims to provide a high level of income and capital growth, but there is a risk that it may not generate sufficient income to meet this objective. Changes in dividend policies of portfolio companies, market conditions, or tax treatment could reduce income available for distribution.

##### Exposure to smaller companies

AEI may invest in smaller companies, which can be more volatile and less liquid than larger companies. This could lead to greater fluctuations in the value of AEI's portfolio and potentially impact returns to AEI Shareholders.

##### Preference shares and illiquidity

AEI may hold preference shares and other less liquid securities. These can be harder to sell in adverse market conditions, which may affect AEI's ability to realise value at short notice.

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

##### Dependence on key personnel

AEI's performance is dependent on the expertise and continuity of the Manager and the Investment Manager and key personnel. The loss of key individuals or changes in the management team could adversely affect AEI's performance.

##### Potential conflicts of interest

The Manager and its affiliates may manage other funds with similar investment objectives, which could lead to conflicts in the allocation of investment opportunities or resources.

#### *Risks relating to the AEI Shares*

##### Market price volatility and discount to NAV

The market price of the AEI Shares may fluctuate and could trade at a discount to the underlying NAV. There is no guarantee that holders of AEI Shares will be able to sell their shares at a price equal to or greater than the NAV or their original investment price.

#### Liquidity risk

There may not be an active or liquid market for AEI Shares, which could make it difficult for a holder of AEI Shares to realise their investment at a preferred time or price.

#### Dilution risk

AEI may issue additional shares in the future, which could dilute a shareholder's percentage holding and potentially impact the market price of such shareholder's AEI Shares.

#### *Risks relating to regulation and taxation*

##### Changes in laws and regulations

AEI is subject to various laws and regulations. Changes in the regulatory environment, tax legislation, or accounting standards could adversely affect AEI's operations, returns, or the tax treatment of the AEI Shares.

##### Investment trust status

If AEI fails to maintain its status as an approved investment trust, it could lose certain tax advantages, which may reduce returns to AEI Shareholders.

#### *Risks specific to the Scheme and transition*

##### Integration and transition risks

The combination of assets and the transition from the Company to AEI may involve operational, administrative, or investment risks. There may be costs or delays associated with integrating portfolios, systems, or service providers.

##### Costs of the Scheme

Whilst the Manager has undertaken to cover certain Scheme costs through the offset of future management fees, certain costs and expenses associated with the Scheme will be borne by AEI, which could affect the Net Asset Value and returns to AEI Shareholders. These include, but are not limited to, portfolio transaction costs and stamp duty.

#### *General investment risks*

##### Capital at risk

The value of an investment in AEI and any income from it can go down as well as up. A shareholder in AEI may not get back the amount they originally invested.

##### Suitability

AEI Shares are intended for investors who understand the risks of investing in listed equities and are able to bear the potential loss of their investment.

*Pre investment information that the Manager is required to publish in accordance with rule 3.2 of the FCA's Fund Sourcebook can be found at <https://www.aberdeeninvestments.com/aei/literature>.*

## **Taxation**

Representations in this document concerning the taxation of Shareholders are based on current UK taxation law and HMRC published practice, which are subject to change (possibly with retrospective effect).

The information in this document relating to UK taxation law and HMRC published practice is given by way of general summary and does not constitute legal or tax advice to Shareholders.

The Company has applied to HMRC for clearance under section 138 of the TCGA confirming that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA. The Company has also requested HMRC to confirm that no counteraction notice under section 698 of the Income Tax Act 2007 nor under section 746 of the Corporation Tax Act 2010, as amended, should be served in respect of the transaction. There is no guarantee that HMRC will grant the clearances requested and, in the event that any such clearances are granted, any clearance received would not constitute confirmation from HMRC that the conditions required for section 136 TCGA to apply are met, or that no counteraction notice could be given under section 698 of the Income Tax 2007 or section 746 of the Corporation Tax Act 2010, as amended.

A subsequent disposal of New AEI Shares will constitute a disposal for tax purposes and may, depending on an Ordinary Shareholder's particular circumstances, give rise to a liability to UK taxation.

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

## PART 6

### ADDITIONAL INFORMATION

#### 1 TRANSFER AGREEMENT

- 1.1 Provided that all conditions to the Scheme are satisfied and the Scheme becomes effective, the Company (acting through the Liquidators) will enter into the Transfer Agreement with the Liquidators (in their personal capacity) and AEI pursuant to the Scheme. The Transfer Agreement is, at the date of this document, in a form agreed between the Company, the Liquidators and AEI. The Transfer Agreement provides, among other things, for the transfer of the cash, undertaking and other assets (and, subject to the Term Loan being novated to AEI pursuant to the Scheme, the obligations under the Term Loan) of the Company comprising the Rollover Pool to AEI (or its nominee), in consideration for the allotment by AEI of New AEI Shares to the Liquidators, as nominees for the Ordinary Shareholders entitled to them in accordance with the Scheme. Thereafter, the Liquidators will renounce the allotments of New AEI Shares in favour of such Ordinary Shareholders and such New AEI Shares will be issued by AEI to such Ordinary Shareholders pursuant to the Scheme.
- 1.2 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.
- 1.3 The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

#### 2 CONSENTS

- 2.1 Winterflood 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.
- 2.2 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 DIRECTOR FEES

In addition to the current fees (per annum) that each Director is entitled to receive from the Company, pursuant to the terms of their respective letters of appointment, the Articles and the Company's remuneration policy, the Company's remuneration committee (in a meeting excluding the Chairman of the Board) has determined that the Chairman should be paid £20,000 in relation to his specific corporate finance input to the Proposals, both in their development and implementation. This reflects his significant additional workload before and during the implementation of the Proposals.

#### 4 DOCUMENTS AVAILABLE FOR INSPECTION

- 4.1 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) this document;
  - (b) the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
  - (c) the AEI Information Memorandum;
  - (d) the AEI Articles;
  - (e) the letters of undertaking from the Liquidators, AEI and the Company to enter into the Transfer Agreement;
  - (f) the Transfer Agreement, in a form agreed between the Company, the Liquidators and AEI at the date of this document; and
  - (g) the letters of consent from Winterflood and the Liquidators referred to in paragraphs 2.1 and 2.2 of this Part 6.

The Articles (containing the full terms of the amendments proposed to be made at the First General Meeting) will be available for inspection: (i) for at least 15 minutes prior to and during the

Shareholder Meetings; and (ii) on the Company's website from the date of this document. The proposed amended articles of association will also be available for inspection on the Company's website and at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>, from the date of this document.

11 February 2026

## DEFINITIONS

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

<b>“A” rights</b>	the rights attaching to Ordinary Shares in respect of which the holders are deemed to have made valid Elections for the Rollover Option;
<b>Aberdeen</b>	the Manager and/or the Investment Manager and/or their affiliates, as the context requires;
<b>Aberdeen Costs Contribution</b>	has the meaning set out in the section titled “ <i>Costs of Implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document;
<b>Admission</b>	the admission of the New AEI Shares to be issued pursuant to the Scheme to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market becoming effective;
<b>AEI</b>	Aberdeen Equity Income Trust plc, a public limited company incorporated in England and Wales with registered number 02648152 and having its registered office at 280 Bishopsgate, London EC2M 4AG;
<b>AEI Acquisition Costs</b>	has the meaning set out in the section titled “ <i>Costs of Implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document;
<b>AEI Articles</b>	the articles of association of AEI, as amended from time to time;
<b>AEI Board</b>	the board of directors of AEI, including any duly constituted committee thereof;
<b>AEI Circular</b>	the circular published by AEI on or around the date of this document relating, <i>inter alia</i> , to the Scheme;
<b>AEI Directors</b>	the directors of AEI from time to time;
<b>AEI FAV</b>	shall be equal to the AEI NAV (cum-income, debt at fair value) as at the Calculation Date: (i) less any AEI Implementation Costs yet to be paid or accrued in the AEI NAV as at the Calculation Date; (ii) less any dividend which has been declared but not accrued in the AEI NAV or paid as at the Calculation Date; and (iii) plus an agreed amount reflecting the benefit of the relevant proportion of the Cost Contributions;
<b>AEI FAV per Share</b>	the AEI FAV divided by the number of AEI Shares in issue (excluding AEI Shares held in treasury) at the Calculation Date (expressed in pence) and rounded down to six decimal places;
<b>AEI First Interim Dividend</b>	has the meaning set out in the section titled “ <i>Dividends</i> ” in Part 1 of this document;
<b>AEI General Meeting</b>	the general meeting of AEI convened for 10.30 a.m. on 9 March 2026 (or any adjournment thereof) to consider, <i>inter alia</i> , the approval of the AEI Scheme Resolutions;
<b>AEI Implementation Costs</b>	has the meaning set out in the section titled “ <i>Costs of Implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document;
<b>AEI Information Memorandum</b>	has the meaning set out on page 1 of this document;
<b>AEI Registrar</b>	Computershare Investor Services PLC, a public limited company incorporated in England and Wales with registered number 03498808 and having its registered office at The Pavilions, Bridgwater Road, Bristol, BS13 8AE;

<b>AEI Scheme Resolutions</b>	the resolutions to be proposed at the AEI General Meeting on which the Scheme is conditional, being: (i) resolution 1, in relation to the allotment of New AEI Shares pursuant to the Scheme; and (ii) resolution 3, the AEI continuation resolution;
<b>AEI Shareholders</b>	holders of AEI Shares;
<b>AEI Shares</b>	the ordinary shares of 25 pence each in the capital of AEI;
<b>AIC</b>	the Association of Investment Companies;
<b>Articles or Articles of Association</b>	the articles of association of the Company, as amended from time to time;
<b>“B” rights</b>	the rights attaching to Ordinary Shares in respect of which the holders have made or are deemed to have made valid Elections for the Cash Option and to Ordinary Shares owned by Dissenting Shareholders;
<b>Basic Entitlement</b>	has the meaning set out in the section titled “ <i>Elections and entitlements under the Scheme</i> ” in Part 4 of this document;
<b>Board</b>	the board of Directors, including any duly constituted committee thereof;
<b>Business Day</b>	a day on which the London Stock Exchange and banks in the UK are normally open for business;
<b>Calculation Date</b>	the time and date to be determined by the Board and the AEI Board (but expected to be close of business on 12 March 2026), at which the value of the Company’s assets and liabilities will be determined for the creation of the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the SHRS Residual FAV, the SHRS Rollover FAV per Share, the SHRS Cash FAV per Share and the AEI FAV per Share will be calculated for the purposes of the Scheme;
<b>Cash Entitlement</b>	in respect of any Ordinary Shareholder who elects, or is deemed to have elected, for the Cash Option and to the extent that Election is accepted, an amount equal to such Ordinary 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;
<b>Cash Option</b>	the option for Ordinary Shareholders to receive cash under the terms of the Scheme, as described in this document;
<b>Cash Option Discount</b>	has the meaning as set out in the section titled “ <i>Overview of the Scheme</i> ” in Part 3 of this document;
<b>Cash Pool</b>	the pool of cash and other assets attributable to the Ordinary Shares reclassified as Reclassified Shares with “B” rights (excluding any such Ordinary Shares held by Dissenting Shareholders);
<b>certificated or in certificated form</b>	a share that is not in uncertificated form;
<b>Combination</b>	the proposed combination with AEI by means of a members’ voluntary liquidation of the Company;
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time;
<b>Company or SHRS</b>	Shires Income PLC, a public limited company incorporated in England and Wales with registered number 00386561 and having its registered office at 280 Bishopsgate, London EC2M 4AG;

<b>Company Secretary</b>	abrdn Holdings Limited, a private limited company incorporated in Scotland with registered number SC082015 and having its registered office at 1 George Street, Edinburgh EH2 2LL;
<b>Cost Contributions</b>	the Cash Option Discount and the Aberdeen Costs Contribution;
<b>CPI</b>	the consumer price index;
<b>CREST</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
<b>CREST Manual</b>	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time;
<b>CREST Regulations</b>	the UK Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended;
<b>CREST sponsored member</b>	a CREST member admitted to CREST as a sponsored member;
<b>Directors</b>	the directors of the Company from time to time;
<b>Dissenting Shareholder</b>	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act;
<b>EEA</b>	the European Economic Area;
<b>Effective Date</b>	the date on which the Scheme becomes effective, which is expected to be 17 March 2026;
<b>Election</b>	the choice made by an Ordinary 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”, “elected” or “election” shall, except where the context requires otherwise, mean “elect, or deemed to elect”. “elected or deemed to have elected” or “election or deemed election”, respectively;
<b>enlarged AEI</b>	has the meaning set out in the section titled “ <i>Introduction</i> ” in Part 1 of this document;
<b>Euroclear</b>	Euroclear UK & International Limited in its capacity as the operator of CREST;
<b>Excess Application</b>	has the meaning set out in the section titled “ <i>Elections and entitlements under the Scheme</i> ” in Part 4 of this document;
<b>Excluded Shareholders</b>	(i) Overseas Shareholders unless they have satisfied the Company, AEI and the Liquidators (taking appropriate advice) that they are entitled to receive and hold New AEI Shares without breaching any relevant securities laws or regulations and without the need for compliance on the part of the Company or AEI with any additional regulatory requirements; and (ii) Sanctions Restricted Persons;
<b>FAV</b>	formula asset value;
<b>Financial Conduct Authority or FCA</b>	the United Kingdom Financial Conduct Authority or any successor entity or entities;
<b>First General Meeting</b>	the general meeting of the Company convened for 10.30 a.m. on 9 March 2026 (or any adjournment thereof) notice of which is set out from page 59 of this document;
<b>Form of Election</b>	the personalised form of election for use by Ordinary Shareholders holding their Ordinary Shares in certificated form in relation to the Scheme;
<b>Form(s) of Proxy</b>	the personalised form(s) of proxy for use by Shareholders in connection with the First General Meeting, the Ordinary

	Shareholders' Class Meeting or the Second General Meeting, as the context requires;
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended;
<b>General Meeting</b>	the First General Meeting or the Second General Meeting, as the context may require and " <b>General Meetings</b> " means the First General Meeting and the Second General Meeting;
<b>HMRC</b>	HM Revenue & Customs;
<b>Investment Manager</b>	has the meaning set out in the section titled " <i>Management arrangements, fees and ongoing charges ratio</i> " in Part 2 of this document;
<b>Insolvency Act</b>	the Insolvency Act 1986, as amended;
<b>ISA</b>	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended;
<b>Latest Practicable Date</b>	close of business on 5 February 2026, being the latest practicable date prior to publication of this document;
<b>Liquidation Pool</b>	the pool of assets of the Company 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 4 of this document;
<b>Liquidators</b>	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;
<b>London Stock Exchange or LSE</b>	London Stock Exchange plc, plc, a public limited company incorporated in England and Wales with registered number 02075721, whose registered office is at 10 Paternoster Square, London, EC4M 7LS;
<b>Main Market</b>	the main market for listed securities of the London Stock Exchange;
<b>Manager</b>	abrdn Fund Managers Limited, a private limited company incorporated in England and Wales with registered number 00740118 and having its registered office at 280 Bishopsgate, London EC2M 4AG;
<b>NAV or Net Asset Value</b>	the gross assets of the Company or AEI, as appropriate, less its liabilities (including provisions for such liabilities) determined in accordance with the accounting principles adopted by that company;
<b>New AEI Shares</b>	the new AEI Shares to be issued to Ordinary Shareholders who are deemed to have elected for the Rollover Option pursuant to the Scheme;
<b>OCR</b>	ongoing charges ratio;
<b>Official List</b>	the official list maintained by the Financial Conduct Authority;
<b>Ordinary Shareholder</b>	holders of Ordinary Shares;
<b>Ordinary Shareholders' Class Meeting</b>	the class meeting of Ordinary Shareholders convened for 10.45 a.m. on 9 March 2026 (or any adjournment thereof) notice of which is set out from page 65 of this document;
<b>Ordinary Shares</b>	ordinary shares of £0.50 each in the capital of the Company;
<b>Overseas Jurisdiction</b>	a jurisdiction outside of the United Kingdom, the Channel Islands or the Isle of Man;

<b>Overseas Shareholder</b>	a 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;
<b>Portfolio Realisation Costs</b>	has the meaning set out in the section titled “ <i>Costs of Implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document;
<b>Preference Shares</b>	cumulative preference shares of £1.00 each in the capital of the Company;
<b>Pre-liquidation Dividend</b>	has the meaning set out in the section titled “ <i>Dividends</i> ” in Part 1 of this document;
<b>Proposals</b>	the proposals for: (i) the members’ voluntary liquidation and scheme of reconstruction of the Company as set out in this document, and (ii) amendments to the Articles in relation to adjourning separate meetings of a class of shares;
<b>Receiving Agent or Registrar or Equiniti</b>	Equiniti Limited, a private limited company incorporated and registered in England and Wales with registered number 06226088 and having its registered office at Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH;
<b>Reclassified Shares</b>	the Ordinary Shares as reclassified under the Scheme as Ordinary Shares with “A” rights or “B” rights;
<b>Record Date</b>	6.00 p.m. on 9 March 2026 (or such other date as determined at the sole discretion of the Directors), being the record date for determining Ordinary Shareholders’ entitlements under the Scheme;
<b>Register</b>	the register of members of the Company;
<b>Regulation S</b>	Regulation S under the US Securities Act;
<b>Regulatory Information Service</b>	the regulatory information service provided by the London Stock Exchange;
<b>Relevant Time</b>	has the meaning as set out in paragraph 4.1 of Part 4 of this document;
<b>Resolutions</b>	together the special resolutions to be proposed at the First General Meeting, the Ordinary Shareholders’ Class Meeting and the Second General Meeting, or any two or more of them, as the context may require, and “ <b>Resolution</b> ” shall mean any one of them, as the context may require;
<b>Rollover Option</b>	the option for Ordinary Shareholders under the Scheme to receive New AEI Shares in respect of some or all of their holding of Ordinary Shares on the winding-up of the Company;
<b>Rollover Pool</b>	the pool of cash, undertaking and other assets (including, subject to the Term Loan being novated to AEI pursuant to the Scheme, assets with a value equal to the fair value of the Term Loan) to be established under the Scheme to be transferred to AEI pursuant to the Transfer Agreement;
<b>Sanctions Authority</b>	each of: <ul style="list-style-type: none"> <li>(i) the United States government;</li> <li>(ii) the United Nations;</li> <li>(iii) the United Kingdom;</li> <li>(iv) the European Union (or any of its member states);</li> </ul>

- (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 (i) the current "Specially Designated Nationals" list (which as of the date hereof can be found at: <https://sanctionslist.ofac.treas.gov/Home/SdnList>); and/or (ii) 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-ofpersons-groups-and-entities-subject-to-eu-financialsanctions?locale=en>); or (iii) the current "UK Sanctions List" (which as at the date hereof can be found at: <https://search-uk-sanctions-list.service.gov.uk/>); 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: (i) the current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at <https://ofac.treasury.gov/other-ofacsanctions-lists>) (the "**SSI List**"), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014 (the "**EU Annexes**"), or (iii) 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 4 of this document;

**Scheme Resolutions**

together, the Resolutions except for the first Resolution to be proposed at the First General Meeting;

**SDRT**

stamp duty reserve tax imposed under Part IV of the UK Finance Act 1986, as amended;

**Second General Meeting**

the general meeting of the Company convened for 9.00 a.m. on 17 March 2026 (or any adjournment thereof), notice of which is set out from page 68 of this document;

**Shareholder Meetings**

together, the First General Meeting, the Ordinary Shareholders' Class Meeting and the Second General Meeting, or any two of them as the context may require, and "**Shareholder Meeting**" shall mean any one of them as the context may require;

**Shareholders**

holders of Ordinary Shares and/or Preference Shares, as the context may require;

**Shares**

Ordinary Shares and/or Preference Shares, as the context may require;

<b>SHRS Cash FAV per Share</b>	the SHRS Cash Pool FAV divided by the total number of Reclassified Shares with “B” rights (excluding any Ordinary Shares held by Dissenting Shareholders and any Ordinary Shares held in treasury), subject to an aggregate limit of 25 per cent. of the Company’s issued ordinary share capital (excluding Ordinary Shares held in treasury), (expressed in pence) and rounded down to six decimal places;
<b>SHRS Cash Pool FAV</b>	the SHRS Residual FAV multiplied by the proportion of Reclassified Shares with “B” rights to the total number of Reclassified Shares (excluding any Ordinary Shares held by Dissenting Shareholders and any Ordinary Shares held in treasury) less a discount of 2 per cent.;
<b>SHRS Implementation Costs</b>	has the meaning set out in the section titled “ <i>Costs of Implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document;
<b>SHRS Residual FAV</b>	shall be equal to the net assets of SHRS 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 in accordance with paragraph 3.2 of Part 4 of this document;
<b>SHRS Rollover Pool FAV</b>	shall be equal to the SHRS Residual FAV multiplied by the proportion of Reclassified Shares with “A” rights to the total number of Reclassified Shares (excluding any Ordinary Shares held by Dissenting Shareholders and excluding any Ordinary Shares held in treasury) plus an agreed amount reflecting the benefit of the relevant proportion of the Cost Contributions (as set out more fully under the section titled “ <i>Costs of implementing the Proposals and the Aberdeen Costs Contribution</i> ” in Part 3 of this document);
<b>SHRS Rollover FAV per Share</b>	the SHRS Rollover Pool FAV divided by the total number of Reclassified Shares with “A” rights (expressed in pence) and rounded down to six decimal places;
<b>SIPP</b>	a UK self-invested personal pension scheme;
<b>sterling or £</b>	Pounds sterling, the lawful currency of the UK;
<b>TCGA</b>	the UK Taxation of Chargeable Gains Act 1992, as amended;
<b>Term Loan</b>	the term loan (Facility A) contained in the facilities agreement dated 2 May 2022 entered into between the Company and The Royal Bank of Scotland International Limited (London Branch);
<b>Transfer Agreement</b>	the agreement for the transfer of assets and liabilities from the Company to AEI pursuant to the Scheme to be dated on the Effective Date between AEI, the Company (acting by the Liquidators) and the Liquidators, a summary of which is set out in paragraph 1 of Part 6 of this document;
<b>TTE Instruction</b>	a transfer to escrow instruction (as described in the CREST Manual);
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>uncertificated or in uncertificated form</b>	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;
<b>US Investment Company Act</b>	the US Investment Company Act of 1940, as amended;

<b>US Person</b>	a “U.S. person” as defined in Regulation S under the US Securities Act;
<b>US Securities Act</b>	the United States Securities Act of 1933, as amended;
<b>VAT</b>	UK value added tax; and
<b>Winterflood</b>	Winterflood Securities Limited, a private limited company incorporated and registered in England and Wales with registered number 02242204 and having its registered office at Riverbank House, 2 Swan Lane, London, United Kingdom, EC4R 3GA.

# SHIRES INCOME PLC

*(Incorporated in England and Wales with registered no. 00386561 and registered as an investment company under section 833 of the Companies Act 2006)*

## NOTICE OF FIRST GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Shires Income PLC (the “**Company**”) will be held at 10.30 a.m. on 9 March 2026 at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG for the purpose of considering, and if thought fit, passing the following resolutions, each of which will be proposed as special resolutions:

## SPECIAL RESOLUTIONS

- 1 **THAT**, the Articles of Association of the Company be and are hereby amended by the deletion of the current Article 58.2 and its replacement with the new Article 58.2 set out below:

“If the meeting was convened by the Directors, it shall stand adjourned (subject to the provisions of the Statutes) to such day (being not more than 28 clear days later) and at such time and place as may have been specified for the purpose in the notice convening the meeting or, if not so specified, as the chairman of the meeting (or, in default, the Directors) may determine. If a quorum is not present within 30 minutes from the time appointed for holding the adjourned meeting, the adjourned meeting shall be dissolved. Articles 59.5, 59.6 and 59.7 shall apply to any such adjourned meeting.”

The terms defined in the Circular have the same meanings in this special resolution.

- 2 **THAT** conditional on the passing of the special resolution at the Ordinary Shareholders’ Class Meeting convened for 10.45 a.m. on 9 March 2026 or any adjournment thereof:

- 2.1 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 £0.50 each in the capital of the Company (the “**Ordinary Shares**”) (the “**Amendment**”) becomes effective but subject always to paragraph 2.5 of this resolution, each of the Ordinary Shares in issue at the date of the passing of this resolution (other than any Ordinary 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 Ordinary Shares and otherwise in accordance with the terms of the Scheme set out in Part 4 of the circular dated 11 February 2026 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;

- 2.2 for the purposes of this resolution:

- (a) to the extent any holder of Ordinary Shares shall be deemed to have validly elected for, and under the terms of the Scheme will become entitled to receive, New AEI Shares, such Ordinary Shares shall be reclassified as shares with “A” rights; and
- (b) to the extent any holder of Ordinary Shares shall have (i) validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option; or (ii) validly dissented from the Scheme under section 111(2) of the Insolvency Act, such Ordinary Shares shall be reclassified as shares with “B” rights;

- 2.3 each of the holders of the shares with the rights set out in paragraph 2.2 above shall have the respective rights set out in the Articles of Association of the Company as amended by this resolution;

2.4 with effect from the date on which the Amendment becomes effective, but subject always to paragraph 2.5 of this resolution, the Articles of Association of the Company be and are hereby amended by:

(a) the insertion of the following as a new Article 5.3:

**“5.3 Reclassified Shares**

*5.3.1 Words and expressions defined in the circular to shareholders of the Company dated 11 February 2026 (the “Circular”) shall bear the same meanings in this Article 5.3, save where the context otherwise requires.*

*5.3.2 Every reference in this Article 5.3 to shares shall be construed as a reference to the Ordinary Shares which are designated as shares with either “A” rights or “B” rights as set out in Article 5.3.3 below. Notwithstanding anything to the contrary in these Articles, each class of Ordinary Share (but not, for the avoidance of doubt, the Preference Shares) will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 5.3.3.*

*5.3.3 The rights attaching to the Ordinary Shares with “A” rights and the Ordinary 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 (subject to the Scheme becoming unconditional in all respects in accordance with its terms) the Reclassified Shares shall have the following additional rights, notwithstanding anything to the contrary in these Articles:*

*(a) the rights of holders of Ordinary Shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof (or to the Liquidators as nominee on their behalf) of the number of New AEI 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;*

*(b) the rights of holders of Ordinary Shares with “B” rights in respect of the assets of the Company comprised in the Cash Pool 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, unless a holder has validly exercised their right to dissent under section 111(2) of the Insolvency Act, in which event such Ordinary Shares shall be purchased by the Liquidators in accordance with the Insolvency Act; and*

*(c) 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*

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

2.5 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 2.4 of this resolution shall be further amended such that the insertion of new Article 5.3 shall cease to have effect as from the close of that meeting (or any adjourned meeting), the reclassification of Ordinary Shares provided for by this resolution shall be reversed and each Reclassified Share shall revert to being an Ordinary Share ranking *pari passu* in all respects; and

2.6 the terms defined in the Circular have the same meanings in this resolution, save where the context otherwise requires.

3 **THAT** subject to: (i) the passing of resolution 2 above at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 30 June 2026; and (iii) the passing at a general meeting of the

Company convened for 17 March 2026 (or any adjournment thereof) of a resolution for the voluntary winding-up of the Company and the appointment of the Liquidators:

3.1 the Scheme set out in Part 4 of the circular to Shareholders of the Company dated 11 February 2026 (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 anything for the purpose of carrying the Scheme into effect;

3.2 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 2 above, and pursuant to section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with AEI 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 AEI allot and issue New AEI Shares in the capital of AEI, credited as fully paid, on the basis described in the Transfer Agreement for distribution to the holders of Ordinary Shares with “A” rights 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 AEI in accordance with the Transfer Agreement and with the Scheme;
- (c) to procure that the Rollover Pool be vested in AEI (or its nominees) on and subject to the terms of the Transfer Agreement;
- (d) to the extent required, to realise for cash the undertaking, cash and other assets comprising the Cash Pool;
- (e) to distribute cash among the holders of Ordinary Shares with “B” rights (excluding Dissenting Shareholders) 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 Ordinary Shares to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market to be cancelled with effect from such date as the Liquidators may determine.

3.3 the Articles of Association be and are hereby amended by the insertion of the following as a new Article 5.4:

**“5.4 Transfer or sale under section 110 Insolvency Act 1986**

*Words and expressions defined in the circular to shareholders of the Company dated 11 February 2026 (the “**Circular**”) shall bear the same meanings in this Article 5.4. Notwithstanding the provisions of these Articles, upon the winding-up of the Company in connection with the scheme of reconstruction and voluntary winding up (the “**Scheme**”) set out in Part 4 of 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 Aberdeen Equity Income Trust plc (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 9 March 2026 by a notice attached to the Circular, in accordance with the provisions of this Article and Article 5.3 and the holders of Ordinary Shares will be entitled to receive New AEI Shares and/or cash, in each case in accordance with the terms of the Scheme.”; and*

3.4 the definitions contained in the Circular have the same meanings in this resolution, save where the context otherwise requires.

*Registered office:*  
280 Bishopsgate  
London  
England  
EC2M 4AG

*By Order of the Board*  
abrdn Holdings Limited  
Company Secretary

Dated: 11 February 2026

**Notes:**

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her at the meeting. A proxy need not be a shareholder. A shareholder may appoint more than one proxy, provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give instructions directly to them. Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting. The **PINK** Form of Proxy which accompanies this notice may be used to make such an appointment and give proxy instructions. If you do not have a proxy form and believe that you should, or if you would like to appoint more than one proxy, please contact the Company's Registrar, Equiniti Limited. In the case of joint holders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
2. To be valid, the **PINK** Form of Proxy, and the original or duly certified copy of the power of attorney or other authority, if any, under which it is signed or authenticated should be sent to the Company's Registrar, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive by 10.30 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).
3. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically at [www.shareview.co.uk](http://www.shareview.co.uk) and logging in to your Shareview Portfolio. Click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, please go to [www.shareview.co.uk](http://www.shareview.co.uk) and enter the requested information. For an electronic proxy appointment to be valid, the Registrar must receive it no later than 10.30 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).
4. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 10.30 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting) in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**CREST Regulations**"), the Company specifies that only those shareholders registered in the register of members of the Company at 6.30 p.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours by 6.30 p.m. on the day which is two working days prior to the date of the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. In each case, changes to entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

6. Any shareholder holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy(ies) will need to ensure that both he/she and his/her proxy(ies) comply with their respective disclosure obligations under the FCA Disclosure Guidance and Transparency Rules.
7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual and/ or by logging in to the website: [www.euroclear.com/CREST](http://www.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.
8. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's "EUI" specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA19) by 10.30 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that EUI 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.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.
11. Should you complete your form of proxy electronically and then post a hard copy, the form that arrives last will be counted to the exclusion of instructions received earlier, whether electronic or postal. Please refer to the terms and conditions of the service on the website.
12. A person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between 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 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. The statement of the rights of members in relation to the appointment of proxies in Notes (i) and (ii) above do not apply to Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.
13. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf, all of its powers as a shareholder, provided that they do not do so in relation to the same shares.
14. Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of shareholder meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

15. Following the shareholder meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and placed on the Company's website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk).
16. If you wish to attend the shareholder meeting in person, there will be a members' register for you to sign on arrival. Under section 319A of the Companies Act, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:
  - a. answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - b. the answer has already been given on a website in the form of an answer to a question; or
  - c. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in this notice (or in any related documents including the associated proxy form) to communicate with the Company for any purposes other than those expressly stated.
18. Information regarding the shareholder meeting, including information required by section 311A of the Companies Act, is available from the Company's website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk). 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 meeting at the registered office of the Company at 280 Bishopsgate, London, England, EC2M 4AG, and at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG, being the place of the meeting. The proposed new articles of association will also be available for inspection on the Company's website from the date of this notice.
19. In order to be able to exercise the members' right to require: (i) circulation of a resolution to be proposed at the meeting; or (ii) a matter of business to be dealt with at the meeting (see note 16), the relevant request must be made by: (a) a member or members having a right to vote and holding at least 5 per cent. of the total voting rights of the Company; or (b) at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100.
20. As at 5 February 2026, the latest practicable date before this notice is given, the total number of shares of the Company was 42,233,074 Ordinary Shares of 50 pence each, of which 2,821,375 are held in treasury, and 50,000 3.5 per cent. cumulative preference shares of £1 each. The total number of voting rights in the Company as at 5 February 2026 in relation to the meeting on 9 March 2026 is 39,461,699.

# SHIRES INCOME PLC

*(Incorporated in England and Wales with registered no. 00386561 and registered as an investment company under section 833 of the Companies Act 2006)*

## NOTICE OF ORDINARY SHAREHOLDERS' CLASS MEETING

**NOTICE IS HEREBY GIVEN** that a separate meeting of the holders of ordinary shares of £0.50 each in Shires Income PLC (the "**Company**") will be held at 10.45 a.m. on 9 March 2026 at the offices of Aberdeen Group plc, 18 Bishops Square, London, E1 6EG for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

### SPECIAL RESOLUTION

- 1 **THAT** the holders of the ordinary shares of £0.50 each in the Company ("**Ordinary Shares**") hereby sanction and consent to:
  - 1.1 the passing, as special resolutions of the Company, of resolutions 2 and 3 set out in the notice convening a general meeting of the Company to be held on 9 March 2026 contained in the circular of the Company dated 11 February 2026 (a copy of which circular has been produced to the meeting and signed for the purpose of identification by the chair thereof) and the carrying into effect of such resolutions; and
  - 1.2 any and all variations or abrogations (including any deemed variation or abrogation) of the rights and privileges attached to the said Ordinary Shares which will or may result from the passing and the carrying into effect of such resolutions or otherwise as may be effected thereby or involved in such resolutions.

*Registered office:*  
280 Bishopsgate  
London  
England  
EC2M 4AG

*By Order of the Board*  
abrdn Holdings Limited  
Company Secretary

Dated: 11 February 2026

#### Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her at the meeting. A proxy need not be a shareholder. A shareholder may appoint more than one proxy, provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give instructions directly to them. Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting. The **BLUE** Form of Proxy which accompanies this notice may be used to make such an appointment and give proxy instructions. If you do not have a proxy form and believe that you should, or if you would like to appoint more than one proxy, please contact the Company's Registrar, Equiniti Limited. In the case of joint holders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
2. To be valid, the **BLUE** Form of Proxy, and the original or duly certified copy of the power of attorney or other authority, if any, under which it is signed or authenticated should be sent to the Company's Registrar, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive by 10.45 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).
3. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically at [www.shareview.co.uk](http://www.shareview.co.uk) and logging in to your Shareview Portfolio. Click on the link to vote and follow the on-screen instructions. If you have not yet registered for a

Shareview Portfolio, please go to [www.shareview.co.uk](http://www.shareview.co.uk) and enter the requested information. For an electronic proxy appointment to be valid, the Registrar must receive it no later than 10.45 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

4. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 10.45 a.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting) in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**CREST Regulations**"), the Company specifies that only those shareholders registered in the register of members of the Company at 6.30 p.m. on 5 March 2026 (or, if the meeting is adjourned, 48 hours by 6.30 p.m. on the day which is two working days prior to the date of the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. In each case, changes to entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. Any shareholder holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy(ies) will need to ensure that both he/she and his/her proxy(ies) comply with their respective disclosure obligations under the FCA Disclosure Guidance and Transparency Rules.
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9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that EUI 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.

10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.
11. Should you complete your form of proxy electronically and then post a hard copy, the form that arrives last will be counted to the exclusion of instructions received earlier, whether electronic or postal. Please refer to the terms and conditions of the service on the website.
12. A person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between 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 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. The statement of the rights of members in relation to the appointment of proxies in Notes (i) and (ii) above do not apply to Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.
13. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf, all of its powers as a shareholder, provided that they do not do so in relation to the same shares.
14. Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of shareholder meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
15. Following the meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of the resolution will be announced via a Regulatory Information Service and placed on the Company’s website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk).
16. If you wish to attend the meeting in person, there will be a members’ register for you to sign on arrival. Under section 319A of the Companies Act, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:
  - a. answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - b. the answer has already been given on a website in the form of an answer to a question; or
  - c. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in this notice (or in any related documents including the associated proxy form) to communicate with the Company for any purposes other than those expressly stated.
18. Information regarding the meeting, including information required by section 311A of the Companies Act, is available from the Company’s website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk).
19. As at 5 February 2026, the latest practicable date before this notice is given, the total number of Ordinary Shares of 50 pence each was 42,233,074, of which 2,821,375 are held in treasury. The total number of voting rights in the Company as at 5 February 2026 in relation to the meeting on 9 March 2026 is 39,411,699.
20. If the quorum required under the Company’s articles of association in force at the time of the meeting (“**Articles**”) is not present at the Ordinary Shareholders’ Class Meeting, the meeting shall be adjourned to the same place and to the soonest date and time permitted for the holding of the meeting (the “**Adjourned Meeting**”) under the Articles. If resolution 1 at the general meeting of the Company to be held at 10.30 a.m. on 9 March 2026 is passed, the Directors will hold the Adjourned Meeting at the same location immediately following the adjournment of the Ordinary Shareholders’ Class Meeting for lack of quorum.

# SHIRES INCOME PLC

*(Incorporated in England and Wales with registered no. 00386561 and registered as an investment company under section 833 of the Companies Act 2006)*

## NOTICE OF SECOND GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Shires Income plc (the “**Company**”) will be held at 9.00 a.m. on 17 March 2026 at the offices of Aberdeen Group PLC, 18 Bishops Square, London, E1 6EG for the purpose of considering, and if thought fit, passing the following resolution, which will be proposed as a special resolution:

### SPECIAL RESOLUTION

- 1 **THAT** subject always to the fulfilment of the conditions (other than the passing of this special resolution) set out in paragraph 14 of the Scheme (“**Scheme**”) contained in Part 4 of the circular to the shareholders of the Company dated 11 February 2026, a copy of which has been laid before this meeting and signed for the purpose of identification by the Chairman thereof (“**Circular**”), and with effect from the conclusion of this meeting:
  - 1.1 the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and that Gareth Rutt Morris and Jonathan Dunn, both licensed insolvency practitioners of FRP Advisory, Kings Orchard, 1 Queen Street, Bristol BS2 0HQ, 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;
  - 1.2 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;
  - 1.3 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;
  - 1.4 the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association as amended by Resolutions 2 and 3 set out in the notice of the First General Meeting of the Company contained in the Circular;
  - 1.5 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
  - 1.6 the terms defined in the Circular have the same meanings in this resolution, save where the context otherwise requires.

*Registered office:*  
280 Bishopsgate  
London, England  
EC2M 4AG

*By Order of the Board*  
abrnd Holdings Limited  
Company Secretary

Dated: 11 February 2026

## Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her at the meeting. A proxy need not be a shareholder. A shareholder may appoint more than one proxy, provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give instructions directly to them. Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting. The **GREEN** Form of Proxy which accompanies this notice may be used to make such an appointment and give proxy instructions. If you do not have a proxy form and believe that you should, or if you would like to appoint more than one proxy, please contact the Company's Registrar, Equiniti Limited. In the case of joint holders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
2. To be valid, the **GREEN** Form of Proxy, and the original or duly certified copy of the power of attorney or other authority, if any, under which it is signed or authenticated should be sent to the Company's Registrar, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive by 9.00 a.m. on 13 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).
3. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically at [www.shareview.co.uk](http://www.shareview.co.uk) and logging in to your Shareview Portfolio. Click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, please go to [www.shareview.co.uk](http://www.shareview.co.uk) and enter the requested information. For an electronic proxy appointment to be valid, the Registrar must receive it no later than 9.00 a.m. on 13 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).
4. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 9.00 a.m. on 13 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting) in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**CREST Regulations**"), the Company specifies that only those shareholders registered in the register of members of the Company at 6.30 p.m. on 13 March 2026 (or, if the meeting is adjourned, 48 hours by 6.30 p.m. on the day which is two working days prior to the date of the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. In each case, changes to entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. Any shareholder holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy(ies) will need to ensure that both he/she and his/her proxy(ies) comply with their respective disclosure obligations under the FCA Disclosure Guidance and Transparency Rules.
7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual and/ or by logging in to the website: [www.euroclear.com/CREST](http://www.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.

8. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & International Limited’s “EUI”) specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent (ID RA19) by 9.00 a.m. on 13 March 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that EUI 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.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.
11. Should you complete your form of proxy electronically and then post a hard copy, the form that arrives last will be counted to the exclusion of instructions received earlier, whether electronic or postal. Please refer to the terms and conditions of the service on the website.
12. A person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between 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 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. The statement of the rights of members in relation to the appointment of proxies in Notes (i) and (ii) above do not apply to Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.
13. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf, all of its powers as a shareholder, provided that they do not do so in relation to the same shares.
14. Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of shareholder meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
15. Following the meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and placed on the Company’s website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk).
16. If you wish to attend the shareholder meeting in person, there will be a members’ register for you to sign on arrival. Under section 319A of the Companies Act, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:

- a. answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - b. the answer has already been given on a website in the form of an answer to a question; or
  - c. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in this notice (or in any related documents including the associated proxy form) to communicate with the Company for any purposes other than those expressly stated.
  18. Information regarding the meeting, including information required by section 311A of the Companies Act, is available from the Company's website: [www.shiresincome.co.uk](http://www.shiresincome.co.uk).
  19. In order to be able to exercise the members' right to require: (i) circulation of a resolution to be proposed at the meeting; or (ii) a matter of business to be dealt with at the meeting (see note 16), the relevant request must be made by: (a) a member or members having a right to vote and holding at least 5 per cent. of the total voting rights of the Company; or (b) at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100.
  20. As at 5 February 2026, the latest practicable date before this notice is given, the total number of shares of the Company was 42,233,074 Ordinary Shares of 50 pence each, of which 2,821,375 are held in treasury, and 50,000 3.5 per cent. cumulative preference shares of £1 each. The total number of voting rights in the Company as at 5 February 2026 in relation to the meeting on 17 March 2026 is 39,461,699.

