

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE SCHEME OF RECONSTRUCTION AND MEMBERS' VOLUNTARY WINDING-UP OF EL ORO LTD. ON WHICH YOU ARE BEING ASKED TO VOTE. If you are in any doubt about what action you should take, it is recommended that you immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, in the case of recipients outside the United Kingdom, your stockbroker, bank manager, solicitor, accountant and/or other financial adviser.

If you have sold or transferred all your shares in El Oro Ltd. (the **Company**), please forward this document at once, together with the accompanying documents, excluding any personalised Form of Proxy or Form of Election, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, such documents should not be forwarded to or transmitted in or into any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction, including the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA State (other than the United Kingdom) or into any other jurisdictions if to do so would constitute a violation of the relevant laws and regulations in such other jurisdictions. Overseas Shareholders and stockbrokers, banks or other agents holding Shares for Overseas Shareholders should read the section headed "Restricted Shareholders and Overseas Shareholders" in Parts II (*Further details of the Scheme*) and III (*Action to be taken*) of this document.

BDO LLP (**BDO**), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the **FCA**), is acting for the Company and for no one else in connection with the Proposals. BDO is not advising any other person or treating any other person as its clients, including any recipient of this document and the accompanying documents, and will not be responsible to anyone other than the Company for providing the protections afforded to clients of BDO nor for providing advice in connection with the Proposals.

EL ORO LTD.

(a non-cellular registered closed-ended investment company with liability limited by shares incorporated in Guernsey with registration number 49778)

Recommended Proposals for the Voluntary Winding-Up and Reconstruction of the Company with rollover options into JPMorgan Elect plc

and

Notice of Extraordinary General Meeting

This document should be read in conjunction with the accompanying JPMorgan Elect Prospectus relating to JPMorgan Elect plc (**JPMorgan Elect**) which has been prepared in accordance with the Prospectus Rules, approved by the Financial Conduct Authority in accordance with section 73A of FSMA, and made available to the public in accordance with the Prospectus Rules. In relation to JPMorgan Elect and the JPMorgan Elect Securities, this document is an advertisement and not a prospectus and does not constitute an offer of any securities for sale or subscription. Investors should not subscribe for the JPMorgan Elect Securities referred to in this document except on the basis of information provided in the JPMorgan Elect Prospectus.

The Proposals described in this document are conditional, *inter alia*, on Shareholder approval. Your attention is drawn to the letter from the Chairman of the Company set out in Part I (*Letter from the Chairman*) of this document which contains the recommendation of the Directors that Shareholders should vote in favour of the Resolutions which are to be proposed at the Extraordinary General Meeting of the Company referred to below.

Notice of the Extraordinary General Meeting, to be held at 12 noon on 20 June 2019 at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the Extraordinary General Meeting. To be valid for use at the Extraordinary General Meeting, the Form of Proxy must be

completed and returned, in accordance with the instructions printed thereon, to the Company's Registrar's, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible and in any event not later than 48 hours before the time of the Extraordinary General Meeting. Completion and return of the Form of Proxy does not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting should they so choose.

Eligible Shareholders who hold their Shares in certificated form (that is, not in CREST) will also find enclosed with this document a personalised Form of Election for use in connection with the Proposals. To be effective, Forms of Election must be completed and returned to Computershare Investors Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS13 8AE by no later than 1.00 p.m. on 17 June 2019. Eligible Shareholders who hold their Shares in uncertificated form (that is, in CREST) will not receive a Form of Election and should elect in accordance with the section of this document entitled "Action for holders of Shares in uncertificated form", which can be found on page 32 in Part III (*Action to be taken*) of this document. All Elections will be irrevocable without the consent of the Directors.

Failure to return a Form of Election (in the case of Shares held in certificated form) or send a TTE Instruction (in the case of Shares held in uncertificated form) by 1.00 p.m. on 17 June 2019 will result in the relevant Shareholder being deemed to have elected for the Managed Income Shares Option, which is the Default Option.

Restricted Shareholders will not be provided with a Form of Election and will be deemed to have elected to receive cash under the Scheme.

The Company is a registered closed-ended investment scheme in accordance with Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended and the Registered Collective Investment Scheme Rules 2018.

Your attention is drawn to the section of this document entitled "Risk Factors" which can be found on pages 14 and 15 of this document and to the risk factors relating to an investment in JPMorgan Elect which can be found in the JPMorgan Elect Prospectus which accompanies this document.

Shareholders should not base their decision to rollover their investment in the Company into JPMorgan Elect solely on the basis of the information contained in this Circular, as the Circular contains a summary only of JPMorgan Elect and the JPMorgan Elect Securities.

Unless otherwise defined or the context otherwise requires, the definitions used in this document are set out on pages 4 to 9 of this document.

CONTENTS

	<i>Page</i>
Definitions	4
Key Information	10
Action to be taken by Shareholders	12
Expected Timetable	13
Risk Factors	14
Part I – Letter from the Chairman	16
Part II – Further details of the Scheme	25
Part III – Action to be taken	31
Part IV – The Scheme	35
Part V – The Rollover Vehicle – JPMorgan Elect plc	44
Part VI – Additional Information	48
Notice of Extraordinary General Meeting	53

DEFINITIONS

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

41 Cheval Place	41 Cheval Place, London SW7 1EW, being the freehold property owned by ELEX for which heads of terms relating to the sale of the property were signed on 16 May 2019;
“A” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Managed Income Shares Option;
Administrator	Aztec Financial Services (Guernsey) Limited;
Admission	admission of the JPMorgan Elect Securities to be issued pursuant to the Scheme to listing on the premium segment of the Official List and to trading on the London Stock Exchange’s Main Market;
Articles of Incorporation or Articles	the articles of incorporation of the Company;
Auditors	PricewaterhouseCoopers CI LLP;
“B” rights	the rights attaching to Shares in respect of which the holders have made valid Elections for the Managed Growth Shares Option;
BDO	BDO LLP, which is providing financial advice to the Company in respect of the Proposals;
Board or Directors	the directors of the Company;
Business Day	a day on which the London Stock Exchange is open for business;
“C” rights	the rights attaching to Shares in respect of which the holders have made valid Elections for the Managed Cash Shares Option;
Calculation Date	expected to be 5.00 p.m. on 18 June 2019 (or, in the event that the proceeds from the expected sale of 41 Cheval Place have not been received by such time, such later time and date as shall be determined by the Company falling as soon as reasonably practicable following such receipt, but not later than 5.00 p.m. on 5 July 2019), being the time and date on which the value of the Company’s assets will be determined for the creation of the Liquidation Fund, the Cash Fund and the Rollover Fund and the Residual Value per Share and the net asset of each class of JPMorgan Elect Securities will be calculated;
Cash Fund	the fund comprising the pool of assets attributable to the Shares in respect of which Elections are made or deemed to have been made for the Cash Option;
Cash Option	the Option for Shareholders under the Scheme to elect to receive cash in respect of some or all of their holding of Shares on the winding-up of the Company;
certificated or in certificated form	not in uncertificated form;
Companies Law	The Companies (Guernsey) Law, 2008 (as may be amended from time to time);
Company	El Oro Ltd.;
Conversion Ratio	the ratio at which Shares convert into the relevant class of JPMorgan Elect Securities which shall be determined in accordance with paragraph 8.3 of Part IV (<i>The Scheme</i>) of this document;

CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations;
CREST Manual	the compendium of documents entitled the “CREST Manual” issued by Euroclear from time to time;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) and/or the Uncertificated Securities (Guernsey) Regulations 2009 (as amended from time to time), as applicable;
“D” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Cash Option;
Default Option	the Option for which an Eligible Shareholder will be deemed to have elected if they fail to submit a Form of Election (being the Managed Income Shares Option);
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under section 73A of FSMA;
EEA	the European Economic Area;
EEA State	a member state of the European Economic Area;
Election	the choice made by a Shareholder for one or more of the Options available under the Scheme (being to receive JPMorgan Elect Securities and/or cash under the Scheme (including, where the context so permits, a deemed choice for the Default Option));
ELEX	El Oro and Exploration Company Limited, a wholly-owned subsidiary of the Company incorporated in England and Wales;
Eligible Shareholders	Shareholders who are not Restricted Shareholders;
Euroclear	Euroclear UK & Ireland Limited;
Extraordinary General Meeting or EGM	the extraordinary general meeting of the Company convened for 12 noon on 20 June 2019, notice of which is set out at the end of this document;
FCA	the United Kingdom Financial Conduct Authority;
Form of Election	the form of election for use by Eligible Shareholders holding their Shares in certificated form in relation to the Scheme which accompanies this document;
Form of Proxy	the form of proxy accompanying this document for use by Shareholders in relation to voting at the Extraordinary General Meeting;
FSMA	the Financial Services and Markets Act 2000, as amended from time to time;
HMRC	HM Revenue & Customs;
Illiquid Assets	has the meaning given to that term under the heading “Illiquid Assets” in Part I (<i>Letter from the Chairman</i>) of this document;
I&ML	Investigations & Management Limited, a wholly-owned subsidiary of the Company incorporated in England and Wales;
ISA	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998 (as amended from time to time);
Issue Premium	the applicable premium to the NAV per the relevant class of JPMorgan Elect Securities at which such JPMorgan Elect Securities will be issued pursuant to the Scheme, as calculated

	in accordance with paragraph 8.4 of Part IV (<i>The Scheme</i>) of this document;
JPMAM	JPMorgan Asset Management (UK) Limited;
JPMorgan Elect	JPMorgan Elect plc;
JPMorgan Elect Articles	the articles of association of JPMorgan Elect;
JPMorgan Elect Board or JPMorgan Elect Directors	the directors of JPMorgan Elect;
JPMorgan Elect Options	the Managed Income Shares Option, the Managed Growth Shares Option and/or the Managed Cash Shares Option;
JPMorgan Elect Prospectus	the prospectus dated 24 May 2019 relating to the issue of JPMorgan Elect Securities pursuant to the Scheme which accompanies this document (save in the case of Restricted Shareholders);
JPMorgan Elect Securities	Managed Income Shares, Managed Growth Shares and/or Managed Cash Shares;
JPMF	JPMorgan Funds Limited;
Latest Practicable Date	20 May 2019, being the latest practicable date prior to the publication of this document;
Liquidation Fund	the liquidation fund to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies as provided in paragraph 10.1 of Part IV (<i>The Scheme</i>) of this document and which will include the Illiquid Assets;
Liquidators	the proposed joint liquidators of the Company, namely Nick Vermeulen and Christiaan Van Den Berg of PricewaterhouseCoopers CI LLP;
London Stock Exchange	London Stock Exchange plc;
Main Market	the main market for listed securities of the London Stock Exchange;
Managed Cash Shares	ordinary shares in the capital of JPMorgan Elect designated as Managed Cash shares;
Managed Cash Shareholders	holders of Managed Cash Shares;
Managed Cash Shares Option	the Option for Eligible Shareholders under the Scheme to elect to receive Managed Cash Shares in respect of some or all of their holding of Shares on the winding-up of the Company;
Managed Growth Shares	ordinary shares in the capital of JPMorgan Elect designated as Managed Growth shares;
Managed Growth Shareholders	holders of Managed Growth Shares;
Managed Growth Shares Option	the Option for Shareholders under the Scheme to elect to receive Managed Growth Shares in respect of some or all of their holding of Shares on the winding-up of the Company;
Managed Income Shares	ordinary shares in the capital of JPMorgan Elect designated as Managed Income shares;
Managed Income Shareholders	holders of Managed Income Shares;
Managed Income Shares Option	the Option for Shareholders under the Scheme to elect to receive Managed Income Shares in respect of some or all of their holding of Shares on the winding-up of the Company;

member account ID	the identification code or number attached to any member account in CREST;
Money Market Instruments	instruments normally dealt in on the money market which: (i) are liquid (i.e. capable of being converted to cash within seven Business Days at a price closely approximating their current value); and (ii) have a value which can be accurately determined at any time;
NAV	net asset value;
NAV per Managed Cash Share	the net asset value of a Managed Cash Share being the value of the portfolio of assets attributable to the Managed Cash Shares less any liabilities attributable to the Managed Cash Shares, calculated in accordance with JPMorgan Elect's normal accounting policies, on a cum-income debt at par basis, and adjusted to take into account any dividends declared but not paid prior to the Scheme Effective Date by JPMorgan Elect to holders of Managed Cash Shares;
NAV per Managed Growth Share	the net asset value of a Managed Growth Share being the value of the portfolio of assets attributable to the Managed Growth Shares less any liabilities attributable to the Managed Growth Shares, calculated in accordance with JPMorgan Elect's normal accounting policies, on a cum-income debt at par basis, and adjusted to take into account any dividends declared but not paid prior to the Scheme Effective Date by JPMorgan Elect to holders of Managed Growth Shares;
NAV per Managed Income Share	the net asset value of a Managed Income Share being the value of the portfolio of assets attributable to the Managed Income Shares less any liabilities attributable to the Managed Income Shares, calculated in accordance with JPMorgan Elect's normal accounting policies, on a cum-income debt at par basis, and adjusted to take into account any dividends declared but not paid prior to the Scheme Effective Date by JPMorgan Elect to holders of Managed Income Shares;
Nominated Charity	Cancer Research UK, a registered charity in England and Wales (Registered Charity Number 1089464);
Notice of EGM	the notice of the Extraordinary General Meeting of the Company set out on pages 53 to 57 of this document;
Official List	the Official List maintained by the FCA or TISEA, as the context may require;
Options	the options available to Eligible Shareholders under the Scheme, being any combination of the Managed Income Shares Option, the Managed Growth Shares Option, the Managed Cash Shares Option and/or the Cash Option;
Overseas Shareholder	a Shareholder who has a registered address outside the United Kingdom, the Channel Islands and the Isle of Man or who is a citizen of, or resident in, a jurisdiction other than the United Kingdom, the Channel Islands and the Isle of Man;
Proposals	the proposals for the winding-up and reconstruction of the Company as described in this document, including the Scheme and the resolutions to be proposed at the Extraordinary General Meeting;
Receiving Agent	Computershare Investor Services PLC;
Reclassified Shares	the Shares reclassified under the Scheme as Shares with "A" rights, "B" rights, "C" rights or "D" rights;

Reclassified Shareholders	holders of Reclassified Shares;
Record Date	the record date for making Elections under the Scheme, being 6.00 p.m. on 17 June 2019;
Register	the register of members of the Company;
Registrars	Computershare Investor Services (Guernsey) Limited;
Regulatory Information Service	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange;
Residual Value	the net assets of the Company available to Shareholders at the Calculation Date as determined under the Scheme (i.e. minus the Retention and the value of the Illiquid Assets and after providing for the liabilities to be discharged out of the Liquidation Fund);
Residual Value per Share	has the meaning given to that term in paragraph 4.2(a) of Part IV (<i>The Scheme</i>) of this document;
Resolutions	the resolutions set out in the Notice of EGM;
Restricted Shareholder	unless the Directors and the JPMorgan Elect Directors otherwise determine, a Shareholder with a registered address in the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa, any EEA State (other than the United Kingdom) or any other jurisdiction where in the view of the Board and the JPMorgan Elect Directors, the offer or issue of the JPMorgan Elect Securities pursuant to the Scheme may violate the relevant laws and/or regulations of that jurisdiction;
Retention	the retention to be made by the Liquidators in respect of the Company as described in Part I (<i>Letter from the Chairman</i>) of this document and paragraph 3.1(a)(vii) of Part IV (<i>The Scheme</i>) of this document;
Rollover Fund	the fund comprising the pool of assets attributable to the Shares in respect of which Elections are made or deemed to have been made for JPMorgan Elect Securities;
Rollover Price	the issue price for each class of JPMorgan Elect Securities to be issued pursuant to the Scheme calculated in accordance with paragraph 8.4 of Part IV (<i>The Scheme</i>) of this document;
Rollover Vehicle	JPMorgan Elect;
SDRT	stamp duty reserve tax;
Scheme	the proposed scheme of reconstruction of the Company as set out in Part IV (<i>The Scheme</i>) of this document;
Scheme Effective Date	the date on which the Scheme becomes effective, which is expected to be 21 June 2019 (or, if later, the date falling three Business Days after the Calculation Date);
SETS	the London Stock Exchange Daily Electronic Trading Service;
Shareholders	holders of Shares;
Shares	ordinary shares of no par value in the capital of the Company, including where the context so requires, Reclassified Shares;
Sterling or GBP or £	pounds sterling, being the lawful currency of the United Kingdom;
TCGA	Taxation of Chargeable Gains Act 1992;
TISEA	The International Stock Exchange Authority;
Transfer Agreement	the agreement to be entered into between the Company (acting through the Liquidators), the Liquidators (in their personal

	capacity) and JPMorgan Elect providing, <i>inter alia</i> , for the transfer of the Rollover Fund from the Company to JPMorgan Elect;
Transfer Date	21 June 2019 (or, if later, the date falling three Business Days after the Calculation Date);
TTE Instruction	a transfer to escrow instruction (as described in the CREST Manual);
UK	the United Kingdom of Great Britain and Northern Ireland;
UK Liquidators	the proposed joint liquidators of the UK Subsidiaries, namely Laura Waters and Rob Lewis of PricewaterhouseCoopers LLP;
UK Subsidiaries	ELEX and I&ML;
uncertificated or in uncertificated form	recorded in the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
United States	the United States of America, its territories, possessions, any state of the United States of America, and the District of Columbia;
VAT	Value Added Tax; and
Winding-up Resolution	the special resolution to place the Company into members' voluntary liquidation and to appoint the Liquidators to be proposed as Resolution 3 at the Extraordinary General Meeting.

KEY INFORMATION

The Board is recommending to Shareholders that the Company be wound-up and is putting forward Proposals for a reconstruction of the Company to coincide with such winding up. Under the Proposals, Eligible Shareholders are being offered a choice of the following:

- a tax and cost efficient rollover into new shares to be issued by JPMorgan Elect plc (**JPMorgan Elect**); and/or
- a cash exit at the Residual Value per Share.

JPMorgan Elect has three share classes, each with distinct investment policies, objectives and underlying investment portfolios, and its structure allows for quarterly conversion between share classes at a price close to net asset value.

The investment objective of the three classes of JPMorgan Elect Securities available under the Scheme, which the Board considers to be comparable to the Company's overall investment objective, are as follows:

- **Managed Income Shares** – a growing income return with potential for long term capital growth by investing primarily in UK equities;
- **Managed Growth Shares** – long term capital growth from investing in a range of investment trusts and open-ended funds managed principally by JPMorgan Asset Management; and
- **Managed Cash Shares** – to achieve a return in excess of sterling money markets by investing primarily in GBP denominated short-term debt securities.

Under the Scheme, Eligible Shareholders can choose to receive any combination of the following in respect of all or part of their holding of Shares in the Company by completing and returning a Form of Election (in the case of Shares held in certificated form) or by submitting a TTE Instruction (in the case of Shares held in uncertificated form, i.e. in CREST):

- Managed Income Shares; and/or
- Managed Growth Shares; and/or
- Managed Cash Shares; and/or
- cash.

The JPMorgan Elect Securities to be issued under the Scheme will be issued at a price equivalent to their NAV per share plus an issue premium. The issue premium will be set at 1.0 per cent. in the event that the value of assets represented by the interests of Eligible Shareholders who elect to roll over into JPMorgan Elect Securities is less than £40 million. In the event that the value of such assets exceeds or equals £40 million, then the issue premium will reduce on a straight line basis such that if the value of assets equals £50 million (or more) the issue premium will be 0.65 per cent.

Shareholders (other than Restricted Shareholders) who do not choose one or more of the Options set out above will be treated as having chosen to rollover their entire investment in the Company into JPMorgan Elect's Managed Income Shares.

Shareholders' entitlements under the Proposals will be based on the Residual Value per Share which it is expected will be calculated as at the close of business on 18 June 2019 and determined at 5.00 p.m. on 19 June 2019. However, if the proceeds from the expected sale of 41 Cheval Place have not been received by such time, the Residual Value shall be calculated at such later time and date as shall be determined by the Company falling as soon as reasonably practicable following such receipt so as to enable such proceeds to be taken into account when calculating the Residual Value, provided that the Calculation Date will not be later than 5.00 p.m. on 5 July 2019.

Restricted Shareholders will receive cash in respect of their entire holding of Shares unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

Overseas Shareholders (who are not Restricted Shareholders) may participate in the Scheme, but it is their responsibility to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Proposals.

The Proposals are subject, *inter alia*, to the approval of the Company's Shareholders.

Further details of the Proposals and the action to be taken by Shareholders are set out in the remainder of this document.

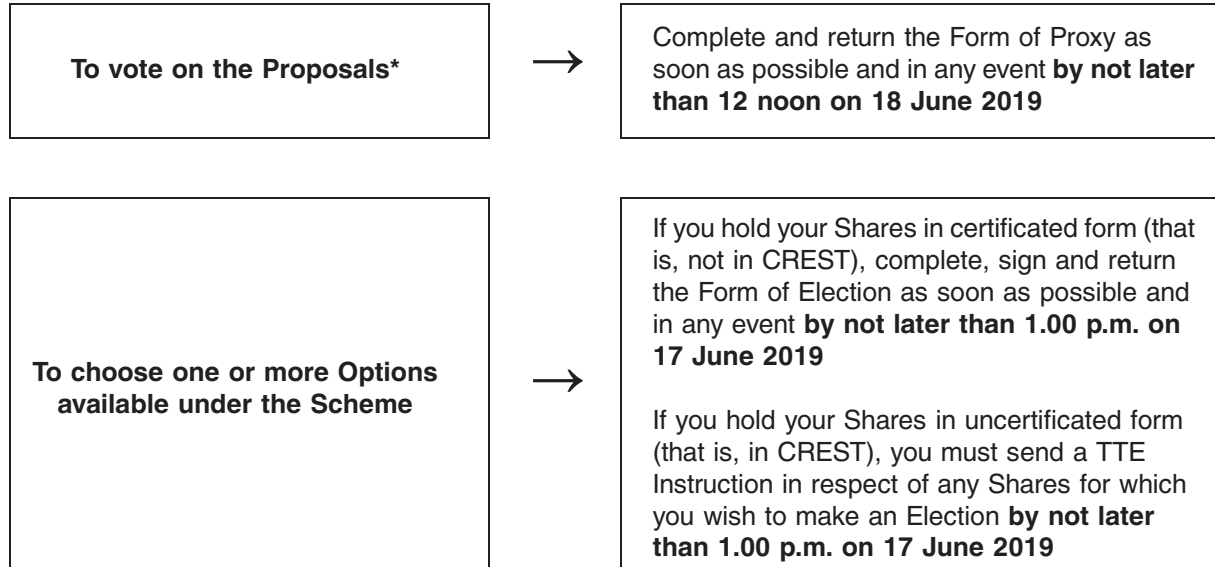
Shareholders who choose or are deemed to have chosen the Cash Option will receive cheques or CREST payments (as applicable) on or as soon as possible after 1 July 2019.

If Shareholders are in any doubt as to the contents of this document or as to what action they should take, they should immediately seek their own personal financial advice from a stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The information contained in this Key Information section is intended to be a summary only and is not intended to be exhaustive. Shareholders should not rely solely on this information but should read this entire document which includes further details in relation to the Scheme and the options available to Shareholders and should also read the JPMorgan Elect Prospectus.

ACTION TO BE TAKEN BY SHAREHOLDERS

ALL HOLDERS OF SHARES ARE RECOMMENDED TO COMPLETE AND RETURN THEIR FORM OF ELECTION OR SUBMIT A TTE INSTRUCTION TO INDICATE HOW THEY WISH TO PARTICIPATE IN THE SCHEME AND TO COMPLETE AND RETURN THEIR FORM OF PROXY TO INDICATE HOW THEY WISH TO VOTE ON THE PROPOSALS. YOUR ATTENTION IS DRAWN TO PART III (*ACTION TO BE TAKEN*) OF THIS DOCUMENT ENTITLED “ACTION TO BE TAKEN” WHICH CAN BE FOUND ON PAGES 31 TO 34.



* Shareholders who hold their Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please refer to the accompanying notes to the Notice of EGM set out at the end of this document). Proxies submitted via CREST for the EGM must be transmitted so as to be received by Computershare Investor Services (Guernsey) Limited by no later than 48 hours (excluding non-working days) before the time of the EGM or (as the case may be) the adjourned EGM.

Full details of the action to be taken by Shareholders are set out in Part III (*Action to be taken*) of this document and in the instructions on the Form of Proxy and Form of Election. The attention of Overseas Shareholders and Restricted Shareholders is drawn to the section headed “Restricted Shareholders and Overseas Shareholders” in Parts II (*Further details of the Scheme*) and III (*Action to be taken*) of this document.

As the Proposals are conditional, among other things, on Shareholder approval, Shareholders are requested to complete and return their Form of Proxy in accordance with the instructions set out in Part III (*Action to be taken*) of this document.

HELP DESK: If you have any queries in relation to your shareholding(s) in the Company or the completion of the Form of Election, please call Computershare Investor Services PLC on 0370 707 4040 from within the UK or on +44 (0) 370 7070 4040 if calling from outside the UK. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8:30 a.m. until 5:30 p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline can provide information only regarding the completion of Forms of Proxy, submitting your proxies electronically and/or completion of Forms of Election but cannot provide you with any financial, legal or tax advice.

Eligible Shareholders who do not validly complete and return a Form of Election in accordance with the instructions thereon or submit a valid TTE Instruction by 1.00 p.m. on 17 June 2019 will be deemed to have chosen the Default Option in respect of their entire holding (being the Managed Income Shares Option).

EXPECTED TIMETABLE

2019

Time from which it is advised that dealings in the Shares should only be for cash settlement and immediate delivery of documents of title	6.00 p.m. on 14 June
Latest time and date for receipt of Forms of Election or TTE Instructions from Eligible Shareholders	1.00 p.m. on 17 June
Closing of the Company's register of members and Record Date for participation in the Proposals	6.00 p.m. on 17 June
Latest time and date for receipt of Forms of Proxy from Shareholders in respect of the EGM	12 noon on 18 June
Calculation Date*	5.00 p.m. on 18 June
Shares disabled in CREST	6.00 p.m. on 19 June
Listing of Shares on the Official List of TISEA suspended	6.00 p.m. on 19 June
Extraordinary General Meeting	12 noon on 20 June
RNS Announcement of the results of the EGM and Elections	20 June
Scheme Effective Date, Transfer Date and commencement of the voluntary winding up of the Company*	21 June
Admission of JPMorgan Elect Securities issued under the Scheme and dealings in such JPMorgan Elect Securities commence*	8.00 a.m. on 24 June
Cheques expected to be despatched and CREST payments made to Shareholders in respect of the Cash Option	on or as soon as practicable after 1 July
Share certificates for JPMorgan Elect Securities issued under the Scheme expected to be despatched	week commencing 1 July
Cancellation of the listing of the Shares on the Official List of TISEA	20 July

* In the event that the proceeds from the expected sale of 41 Cheval Place have not been received by 5.00 p.m. on 18 June 2019, the Calculation Date shall be such later time and date as shall be determined by the Company falling as soon as reasonably practicable following such receipt (but not later than 5.00 p.m. on 5 July 2019) and in such circumstances the Scheme Effective Date and the Transfer Date would be expected to occur on the third Business Day following the postponed Calculation Date and the date of Admission would be expected to fall on the fourth Business Day following the Calculation Date.

Without limiting the note set out above, each of the times and dates in the expected timetable may (where permitted by law) be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders through a Regulatory Information Service.

In this document, where the context requires, references to 20 May 2019 should be treated as being references to the latest practicable date prior to the publication of this document (the **Latest Practicable Date**).

RISK FACTORS

Shareholders should review this document carefully and consider all the information contained in this document and the risks attached to the Proposals prior to making any investment decision. The risks referred to below are the material risks of which the Directors are aware as at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolutions to be proposed at the Extraordinary General Meeting and on what basis to make an Election.

If Shareholders are in any doubt about the contents of this document or as to the action they should take, they should immediately seek their own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.

Risk factors relating to the Proposals

The Proposals have been designed to allow Eligible Shareholders to roll-over their investment in the Company into JPMorgan Elect which has three classes of shares, the investment objectives of which the Board considers to be comparable to the Company's overall investment objective. Any investment in JPMorgan Elect will be governed by the JPMorgan Elect Prospectus and the JPMorgan Elect Articles. Eligible Shareholders are strongly urged to read the section containing the risk factors in the JPMorgan Elect Prospectus.

Conditionality of the Proposals

Implementation of the Proposals is conditional, among other things, upon all the Resolutions being passed at the Extraordinary General Meeting. In the event that any of the Resolutions are not passed or any other condition of the Proposals is not met, the Proposals will not be implemented. If the Proposals are not approved or if the Scheme does not become unconditional, but the Winding-up Resolution (being Resolution 3 set out in the Notice of EGM) is passed, this would result in the voluntary liquidation of the Company.

Risks associated with JPMorgan Elect

An investment in JPMorgan Elect will involve exposure to those risks normally associated with investment in stocks and shares. As such, the price of shares can go down as well as up and an investor may not get back the full amount invested. There is no assurance that the investment objectives of JPMorgan Elect in respect of each class of JPMorgan Elect Securities will actually be achieved or provide the returns sought by them. The market price of the JPMorgan Elect Securities may not fully reflect their respective underlying asset value (if any). An investment in any class of JPMorgan Elect Securities should generally be regarded as a long-term investment and, therefore, may not be suitable as a short-term investment.

Discounts

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as by the net asset value per share. The share price can therefore fluctuate and may represent a discount or premium to the net asset value of the relevant class of JPMorgan Elect Securities. This discount or premium is itself variable as conditions for supply and demand for the relevant JPMorgan Elect Securities change. This can mean that the price of the relevant JPMorgan Elect Securities can fall when the net asset value per share rises, or vice versa.

Liquidity

JPMorgan Elect is a closed-ended vehicle. Accordingly, Shareholders will have no right to have their JPMorgan Elect Securities repurchased at any time. Shareholders wishing to realise their investment in JPMorgan Elect may therefore be required to dispose of their JPMorgan Elect Securities in the market. There can be no guarantee that a liquid market in the JPMorgan Elect Securities will exist or be maintained. Accordingly, Shareholders may be unable to realise their JPMorgan Elect Securities at the quoted market price (or at the prevailing net asset value of the relevant JPMorgan Elect Securities).

Risks relation to Taxation

The information relating to the taxation law and practice applicable to the receipt by Shareholders of JPMorgan Elect Securities and/or cash is given by way of general summary and does not constitute legal or tax advice to Shareholders. Statements in this document concerning the taxation of Shareholders are based upon current UK tax law and HMRC practice and concessions which are subject in principle to changes that could adversely affect Shareholders.

An Election for the Cash Option or a subsequent disposal of any JPMorgan Elect Securities issued under the Scheme will constitute a disposal for tax purposes and may, depending on a Shareholder's particular circumstances, give rise to a liability to UK taxation of capital gains.

Similarly, any change in the tax status of JPMorgan Elect or in taxation legislation affecting JPMorgan Elect could affect an investor's investment in the JPMorgan Elect Securities.

Shareholders are urged to note the tax consequences of the Proposals as set out in paragraph 5 of Part VI (*Additional Information*) of this document. Shareholders should, however, consider their own tax position and consult with their professional advisers in relation to the Proposals.

PART I
LETTER FROM THE CHAIRMAN
EL ORO LTD.

*(a non-cellular registered closed-ended investment company with liability limited by shares
incorporated in Guernsey with registration number 49778)*

Directors:

C. Robin Woodbine Parish
J. Anthony Wild
Robert E. Wade
Rupert A.R. Evans
Subbrarayan B. Kumaramangalam

Registered Office:

East Wing
Trafalgar Court
Les Banques
St Peter Port
Guernsey
GY1 3PP

24 May 2019

Dear Shareholder

**RECOMMENDED PROPOSALS FOR THE VOLUNTARY WINDING-UP AND RECONSTRUCTION
OF THE COMPANY WITH ROLLOVER OPTIONS INTO JPMORGAN ELECT**

Introduction

As explained in my letter dated 30 November 2018 giving notice of the annual general meeting held on 20 December 2018, your Board has been exploring alternatives to a liquidation of the Company and has agreed heads of terms with the JPMorgan Elect Board, for JPMorgan Elect to provide a “rollover” option for Shareholders. The issue of new JPMorgan Elect Securities pursuant to these proposals was approved by JPMorgan Elect Shareholders at a general meeting and separate class meetings held on 15 February 2019.

The Board is now putting forward proposals to Shareholders for the voluntary winding-up and reconstruction of the Company by way of the Scheme, whereby Eligible Shareholders will be given the opportunity to elect to rollover their Shares in the Company into one or more classes of JPMorgan Elect Securities and/or to receive cash pursuant to the Cash Option.

The purpose of this letter is to explain the Proposals and the actions required to be taken in order for them to be implemented. Shareholder approval is required under the provisions of the Companies Law and the Articles to implement parts of the Proposals which will involve reclassification of the Company’s existing Shares to give effect to the Elections made or deemed to have been made by each Shareholder under the Scheme, the voluntary winding up of the Company and the appointment of the Liquidators.

The Proposals are inter-related and should be implemented as a package by voting in favour of all the Resolutions at the Extraordinary General Meeting. In the event that the Proposals are approved, the Company will be wound up voluntarily and the listing of the Shares on the Official List of TISEA and admission to trading on the London Stock Exchange’s SETSqx trading platform will be cancelled. If the Proposals are not approved or if the Scheme does not become unconditional, the Winding-up Resolution will, in any event, be put to Shareholders and, if passed, would result in the voluntary liquidation of the Company.

Certain Shareholders (being members of the Parish family and connected persons) which, together, represent 55.8 per cent. of the Company’s voting share capital, have undertaken to vote in favour of the Resolutions and have also undertaken to elect for the JPMorgan Elect Options under the Scheme in respect of 27,560,643 Shares in aggregate, representing 43.9 per cent. of the Company’s issued share capital as at the Latest Practicable Date. These undertakings are conditional upon the Scheme not lapsing.

Shareholders should refer to Part III (*Action to be Taken*) of this document. The notice of the Extraordinary General Meeting at which Shareholders will be asked to cast their votes in respect of the Proposals is set out at the end of this document.

Subject to Shareholder approval, the Proposals are expected to come into effect at the conclusion of the Extraordinary General Meeting to be held on 20 June 2019.

In anticipation of the voluntary winding-up of the Company, whether in connection with the implementation of the Scheme or otherwise, the Company is in the process of liquidating its two active UK subsidiaries, El Oro and Exploration Company Limited and Investigations & Management Limited. Further details of the liquidation of the UK Subsidiaries in the context of the Proposals are set out below.

The Proposals

Under the Proposals, the Company will be wound up on 20 June 2019 by means of a members' voluntary liquidation pursuant to a scheme of reconstruction and Eligible Shareholders can choose to receive any combination of the following in respect of all or part of their holding of Shares in the Company:

- Managed Income Shares; and/or
- Managed Growth Shares; and/or
- Managed Cash Shares; and/or
- cash.

The JPMorgan Elect Securities will be issued at a price equivalent to the NAV per share plus an issue premium as set out under "Costs of the Proposals" below.

Shareholders (other than Restricted Shareholders) are encouraged to choose one or more of the above Options in respect of their Shares by completing and returning a Form of Election or submitting a TTE Instruction (as applicable).

Shareholders (other than Restricted Shareholders) who do not choose one or more of the Options set out above will be treated as having chosen to rollover their entire investment in the Company into Managed Income Shares.

Restricted Shareholders will receive cash in respect of their entire holding of Shares unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

Benefits of the Proposals

The Directors consider that the Proposals provide Eligible Shareholders with a greater choice than if the Company were simply to be wound up, since the Proposals enable Shareholders to (i) continue their investment exposure through a rollover into JPMorgan Elect Securities; (ii) receive cash; or (iii) receive a combination of cash and JPMorgan Elect Securities.

The Directors consider that the Proposals should also have the following benefits for Eligible Shareholders who chose to rollover their investment in the Company into JPMorgan Elect Securities:

- they will enable such Shareholders to retain market exposure through up to three classes of shares, the investment objectives of which the Board considers to be comparable to the Company's overall investment objective, and to continue to receive investment returns without triggering an immediate liability to capital gains tax; and
- they will enable such Shareholders to avoid dealing and other costs associated with a share purchase in the secondary market.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately seek their own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.

Conditions to the Scheme

The Scheme is conditional upon:

- (i) the passing of all the Resolutions to be proposed at the Extraordinary General Meeting and all conditions to such Resolutions (excluding any condition relating to the passing of any other Resolution) being fulfilled;
- (ii) the FCA having agreed to admit the JPMorgan Elect Securities which are to be issued under the Scheme to the premium segment of the Official List and the London Stock Exchange having agreed to admit such JPMorgan Elect Securities to trading on the London Stock Exchange's Main Market; and
- (iii) the Directors not resolving to abandon the Scheme.

In the event that either of conditions (i) and (ii) fails to be satisfied, the Winding-up Resolution will, in any event be put to Shareholders at the Extraordinary General Meeting, which if passed, will place the Company into members' voluntary liquidation and appoint the Liquidators.

The Rollover Vehicle – JPMorgan Elect plc

JPMorgan Elect is an investment trust company whose shares are admitted to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market. JPMorgan Elect has three share classes, Managed Income Shares, Managed Growth Shares and Managed Cash Shares, each with distinct investment policies, objectives and underlying investment portfolios. Each share class is listed separately and traded on the London Stock Exchange.

Shareholders in JPMorgan Elect may convert between each class of JPMorgan Elect Securities in February, May, August and November in each year without incurring a liability for capital gains tax. In addition, Managed Cash Shareholders may also elect to have their shares repurchased by JPMorgan Elect on each quarterly conversion date at a price close to the NAV at that time.

JPMorgan Elect employs JPMorgan Funds Limited (**JPMF**) as its Alternative Investment Fund Manager, which, in turn, delegates portfolio management to JPMorgan Asset Management (UK) Limited (**JPMAM**) to manage its assets actively. Both JPMF and JPMAM perform the same functions for the Company.

Details of each class of JPMorgan Elect Securities which are being offered under the Scheme are set out below:

Managed Income

The objective of the Managed Income Shares portfolio is to achieve a growing income return with potential for long term capital growth by investing primarily in UK equities.

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the unaudited value of the Managed Income Shares portfolio was approximately £74.1 million, the NAV per Managed Income Share (unaudited) was 109.7p and the market capitalisation of the Managed Income Shares was approximately £72.6 million.

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the performance of the Managed Income Shares has been as follows:

	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Share Price	0.83%	47.36%	65.27%
NAV	(6.91)%	22.22%	28.92%
Benchmark	(3.36)%	29.26%	30.98%

Source: Morningstar/JPMorgan Asset Management. The Managed Income portfolio's benchmark is the FTSE All-Share Index (Total Return). Prior to 1 March 2018 the benchmark was a composite comprising 85 per cent. FTSE All-Share Index and 15 per cent. Barclays Capital Global Corporate Bond Index (hedged) in sterling terms. Returns are based on Cum Income NAVs.

The table below sets out the yearly performance of the Managed Income Shares for the past five years to 28 February in each year:

	Year to 28 February 2019	Year to 28 February 2018	Year to 28 February 2017	Year to 28 February 2016	Year to 28 February 2015
Share Price	(1.86)%	5.65%	15.02%	(2.61)%	6.75%
NAV	(2.18)%	4.66%	15.76%	(3.19)%	6.37%
Benchmark	1.66%	3.95%	20.14%	(6.31)%	5.86%

Source: Morningstar/JPMorgan Asset Management. The Managed Income portfolio's benchmark is the FTSE All-Share Index (total return). Prior to 1 March 2018 the benchmark was a composite comprising 85 per cent. FTSE All-Share Index and 15 per cent. Barclays Capital Global Corporate Bond Index (hedged) in sterling terms. Returns are based on Cum Income NAVs.

Over the 12 months to 30 April 2019, the Managed Income Shares have traded between a discount of 1.02 per cent. and 2.85 per cent. (on a month end to month end basis).

There is no management fee on assets invested in JPMorgan managed funds. The management fee is 0.6 per cent per annum on assets invested in non-JPMorgan managed funds and direct investments. Investments in JPMorgan's retail open-ended pooled funds qualify for a partial rebate of the underlying fee. As at 28 February 2019 (being JPMorgan Elect's half year end), the ongoing charges for the Managed Income Shares class were 0.83 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Managed Growth

The objective of the Managed Growth Shares portfolio is to achieve long term capital growth from investing in a range of investment trusts and open-ended funds managed principally by JPMAM.

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the unaudited value of the Managed Growth Shares portfolio was approximately £267.2 million, the NAV per Managed Growth Share (unaudited) was 854.9p and the market capitalisation of the Managed Growth Shares was approximately £258.6 million.

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the performance of the Managed Growth Shares has been as follows:

	1 Year	3 Years	5 Years
Share Price	0.83%	47.36%	65.27%
NAV	0.77%	48.59%	65.88%
Benchmark	1.62%	44.98%	56.78%

Source: Morningstar/JPMorgan Asset Management. The Managed Growth portfolio's benchmark is a composite comprising 50 per cent. FTSE All-Share Index and 50 per cent. FTSE World Index (ex-UK) (all total return). Returns are based on Cum Income NAVs.

The table below sets out the yearly performance of the Managed Growth Shares for the past five years to 28 February in each year:

	Year to 28 February 2019	Year to 28 February 2018	Year to 28 February 2017	Year to 28 February 2016	Year to 28 February 2015
Share Price	1.22%	11.54%	25.50%	(2.73)%	8.95%
NAV	0.43%	12.45%	25.85%	(2.91)%	8.30%
Benchmark	2.41%	5.73%	30.05%	(4.42)%	11.43%

Source: Morningstar/JPMorgan Asset Management. The Managed Growth portfolio's benchmark is a composite comprising 50 per cent. FTSE All-Share Index and 50 per cent. FTSE World Index (ex-UK). Returns are based on Cum Income NAVs.

Over the 12 months to 30 April 2019, the Managed Growth Shares have traded between a discount of 1.95 per cent. and 3.74 per cent. (on a month end to month end basis).

The management fee is 0.3 per cent per annum on assets invested in JPMorgan managed funds and 0.6 per cent per annum on assets invested in non-JPMorgan managed funds and direct investments. Investments in JPMorgan’s retail open-ended pooled funds qualify for a partial rebate of the underlying fee which is paid back to JPMorgan Elect. As at 28 February 2019 (being JPMorgan Elect’s half year end), the ongoing charges for the Managed Growth Shares class were 0.58 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Managed Cash

The objective of the Managed Cash Shares portfolio is to achieve a return in excess of sterling money markets by investing primarily in GBP denominated short-term debt securities. Exposure is obtained via an investment in the JPMorgan Funds – Sterling Managed Reserves Fund (**JSMRF**), an existing UCITS fund launched on 22 August 2016.

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the unaudited value of the Managed Cash Shares portfolio was approximately £7.0 million, the NAV per Managed Cash Share (unaudited) was 102.8p and the market capitalisation of the Managed Cash Shares was approximately £6.9 million.

A change in the investment policy of the Managed Cash shares was approved by the FCA in January 2019 and by the Managed Cash Shareholders on 15 February 2019. As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), the share price and NAV total return since 15 February 2019 was 0 per cent. and 0.39 per cent. respectively. (Source: Morningstar/JPMorgan Asset Management. Returns are based on Cum Income NAVs)

Set out in the table below is the performance of JSMRF (on a gross basis) from its inception in August 2016 until 28 February 2019, shown on a yearly performance basis:

	Year to 28 February 2019	Year to 28 February 2018	Inception to 28 February 2017
NAV	0.92%	0.54%	0.36%

Since 15 February 2019 to 30 April 2019, the Managed Cash Shares have traded between a discount of 1.37 per cent. and 1.66 per cent. (on a month end to end basis).

No management fee is charged for the management of the Managed Cash Share portfolio. As at 28 February 2019 (being JPMorgan Elect’s half year end), the ongoing charges for the Managed Cash Shares class were 0.02 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Shareholders should note that the past performance of the JPMorgan Elect Securities set out above is not a guide to the future. The performance data set out above has been calculated on a NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in sterling.

Further information on JPMorgan Elect and each class of the JPMorgan Elect Securities is set out in Part V (The Rollover Vehicle – JPMorgan Elect plc) of this document and in the JPMorgan Elect Prospectus.

Costs of the Proposals

The costs of the Proposals (including all advisers’ fees, printing and other ancillary costs of the Proposals but excluding stamp duty incurred on the *in specie* transfer of any assets from the Company to JPMorgan Elect pursuant to the Transfer Agreement) are expected to be approximately £500,000. The stamp duty will be paid by the enlarged JPMorgan Elect and spread across the existing shareholders of JPMorgan Elect and the Company’s Shareholders electing to roll over.

JPMF has agreed that it will meet the additional costs to be incurred by the Company, above those of a simple liquidation, as a result of the carrying out of the Scheme. JPMF has agreed to contribute towards the excess costs *pro rata* to the amount rolling over into JPMorgan Elect. Therefore, the costs to be borne by the Company will be the amount which would have been incurred had the Company simply been placed into liquidation plus additional costs associated with Shareholders that elect (or are deemed to elect) for the Cash Option rather than any of the JPMorgan Elect Options.

Those Shareholders who chose to receive JPMorgan Elect Securities for some or all of their investment will also incur costs equal to the issue premium (the **Issue Premium**) applicable to the relevant JPMorgan Elect Securities. This Issue Premium is intended to defray the costs which will be incurred by JPMorgan Elect in respect of its participation in the Scheme.

The level of the Issue Premium will depend on the value of the assets to be transferred to JPMorgan Elect under the Scheme. If the value of these assets is less than £40 million then the Issue Premium will be set at 1.0 per cent. However, if their value exceeds £40 million, the Issue Premium will reduce on a straight line basis such that if their value equals £50 million (or more) then the Issue Premium will be set at 0.65 per cent.

Liquidation of the UK Subsidiaries

In anticipation of the Company's voluntary winding-up, whether in connection with the implementation of the Scheme or otherwise, the Company is in the process of liquidating ELEX and I&ML, its two active UK subsidiaries; I&ML is a direct subsidiary of ELEX which in turn is a direct subsidiary of the Company. It is intended that Laura Waters and Rob Lewis of PricewaterhouseCoopers LLP (the **UK Liquidators**) will be appointed to act as liquidators for the purposes of the liquidation of the UK Subsidiaries.

Whilst it is expected that all or substantially all of the assets of the UK Subsidiaries will have been realised and distributed to the Company prior to the Scheme Effective Date, the statutory notice period in which creditors can inform the UK Liquidators of any claims which they may have against either of the UK Subsidiaries will only expire shortly before the Scheme Effective Date. Accordingly, if any creditor claims are received by the UK Liquidators in connection with the liquidation of the UK Subsidiaries prior to the Scheme Effective Date, an appropriate retention will need to be made by the UK Liquidators to settle such claims. This may reduce the assets distributed by the UK Subsidiaries to the Company and/or increase the amount that will be allocated to the Liquidation Fund which would reduce the Company's Residual Value for the purposes of the Scheme.

Furthermore, Shareholders should note the Liquidators of the Company will not be able to close the liquidation of the Company until the liquidations of both the UK Subsidiaries have been completed and this may delay any final distribution to Shareholders made by the Liquidators from the Liquidation Fund referred to below. If there are any unforeseen delays in closing the liquidations of the UK Subsidiaries that are outside the control of the UK Liquidators (for example, tax clearances from HMRC taking more time to receive than expected), this may also impact on the costs incurred by both the UK Liquidators in respect of the UK Subsidiaries and by the Liquidators in respect of the Company.

In addition to liquidating the UK Subsidiaries, applications are being made to strike-off each of the Company's dormant subsidiaries (being El Oro Mining and Exploration Company Limited, Group Traders Limited and General Explorations Limited).

Liquidation Fund

Before any assets are transferred to JPMorgan Elect under the Scheme or set aside to pay Shareholders who have elected for cash, the Liquidators will retain cash and other assets in a liquidation fund (the **Liquidation Fund**) in an amount which they consider sufficient to provide for all liabilities of the Company (including tax and contingent liabilities and an amount for unknown and unascertained liabilities of the Company), as well as contingent liabilities for the UK Subsidiaries that are not fully provided for by the UK Liquidators. The retention in respect of unknown and unascertained liabilities is currently expected to be £1,000,000. However, if contracts for the sale of 41 Cheval Place have not been exchanged prior to the commencement of the liquidation of ELEX, the amount of the retention is likely to be higher and will be determined at the Calculation Date. Further details of the Liquidation Fund are set out in Parts II (*Further details of the Scheme*) and IV

(The Scheme) of this document. In addition, the Illiquid Assets will be retained in the Liquidation Fund as described below.

Illiquid Assets

The Company's investment portfolio includes a number of illiquid and impaired assets, principally comprising shares and other securities in 5 illiquid quoted and 27 unquoted private companies, which are not suitable for transfer to JPMorgan Elect pursuant to the Scheme and which it is not expected will be capable of being fully realised by the Company prior to the Scheme Effective Date (the **Illiquid Assets**). As at the Latest Practicable Date, the aggregate value attributed by the Company to the Illiquid Assets was approximately £2.6 million.

In accordance with the Scheme, to the extent that the Illiquid Assets have not been realised prior to the Calculation Date, the Illiquid Assets will be retained in the Liquidation Fund and will not be taken into account for the purposes of calculating the Residual Value and the Residual Value per Share for the purposes of the Scheme. To the extent the Illiquid Assets are subsequently realised by the Liquidators, the net proceeds from the sale of such assets (if any), after all liabilities of the Company have been satisfied, shall be paid in cash to Reclassified Shareholders who are on the Company's register of members at the close of business on the Scheme Effective Date on a *pari passu* basis *pro rata* to their respective holdings of the Shares, prior to the reclassification of the Shares, provided that if any such amount otherwise payable to a Shareholder is less than £5.00, it will not be paid to such Shareholder but will be transferred by the Liquidators to the Nominated Charity.

In the event that the Liquidators have been unable to realise all or any of the Illiquid Assets within 12 months from the date of their appointment or, if sooner, once the remaining Illiquid Assets are valued at less than £100,000, the Liquidators intend to offer any remaining Illiquid Assets for sale by way of auction. There can be no assurance the value realised from such sale will reflect the aggregate value attributed to such Illiquid Assets as set out above, or such sale will result in any, or any further, distributions to Reclassified Shareholders from the Liquidation Fund.

41 Cheval Place

In addition to the Illiquid Assets described above, ELEX currently owns the freehold property 41 Cheval Place, London SW7 1EW. Heads of terms for the sale of 41 Cheval Place for £2.3 million were signed on 16 May 2019. It is intended that the net proceeds of the expected sale of 41 Cheval Place will be distributed to the Company upon receipt and will be taken into account when calculating the Company's Residual Value and the Residual Value per Share for the purposes of the Scheme. In the event that the net proceeds of the expected sale of 41 Cheval Place are not received by ELEX and distributed to the Company prior 5.00 p.m. on 18 June 2019 (being the expected Calculation Date), the Company may postpone the Calculation Date to such later date and time as it may determine falling as soon as reasonably practicable following such receipt so as to ensure that the Residual Value and the Residual Value per Share takes into account the net proceeds realised from the expected sale of 41 Cheval Place, provided, however, that the Company will not postpone the Calculation Date beyond 5 July 2019. If the proceeds from the expected sale have not been received on or prior to 5 July 2019 they will not be taken into account for the purposes of calculating the Residual Value and the Residual Value per Share for the purposes of the Scheme, and instead would, after all liabilities of the Company have been satisfied, be paid in cash to Reclassified Shareholders who are on the Company's register of members at the close of business on the Scheme Effective Date on a *pari passu* basis *pro rata* to their respective holdings of the Shares, prior to the reclassification of the Shares, provided that if any such amount otherwise payable to a Shareholder is less than £5.00, it will not be paid to such Shareholder but will be transferred by the Liquidators to the Nominated Charity.

Shareholders' attention is drawn to paragraphs 5.10 and 5.11 of Part VI (*Additional Information*) of this document which explains the expected UK tax treatment of any distributions made to Shareholders out of the Liquidation Fund following the Scheme Effective Date.

Restricted Shareholders and Overseas Shareholders

Restricted Shareholders and Overseas Shareholders should refer to the sections headed "Restricted Shareholders and Overseas Shareholders" in Parts II (*Further details of the Scheme*) and III (*Action to be taken*) of this document.

Taxation

You are advised to read carefully the section headed "Taxation in the United Kingdom" in paragraph 5 of Part VI (*Additional Information*) of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice.

If you are in any doubt as to your tax position, or if you may be subject to taxation in a jurisdiction other than the United Kingdom, you are recommended to seek immediately your own personal tax advice from an independent professional adviser.

Extraordinary General Meeting

As described above, the Proposals are conditional, *inter alia*, on the approval of Shareholders which is being sought at the Extraordinary General Meeting.

At the Extraordinary General Meeting resolutions will be proposed which, if passed, will:

- reclassify the Shares to reflect the Elections made or deemed to have been made under the Scheme;
- authorise the implementation of the Scheme by the Liquidators;
- amend the Articles of Incorporation the Company for the purposes of implementing the Scheme; and
- appoint the Liquidators and place the Company into liquidation.

Resolutions 1, 2 and 3 will be proposed as special resolutions and Resolution 4 will be proposed as an extraordinary resolution.

Further details of the Extraordinary General Meeting are set out in Parts II (*Further details of the Scheme*) and III (*Action to be taken*) of this document.

Action to be taken

Details of the action to be taken by Shareholders are set out in Part III (*Action to be taken*) of this document. It is important that Shareholders read Part III carefully and that Shareholders return their Forms of Proxy as soon as possible and in any event so as to be received not later than 48 hours (excluding non-working days) before the appointed time of the Extraordinary General Meeting (or any adjournment thereof). In addition, Shareholders should return their Forms of Election so as to be received by no later than 1.00 p.m. on 17 June 2019.

If you hold your Shares in uncertificated form (i.e. in CREST) you may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of EGM set out at the end of this document). Proxies submitted via CREST for the Extraordinary General Meeting must be transmitted so as to be received by Computershare Investor Services (Guernsey) Limited by no later than 48 hours (excluding non-working days) before the time of the Extraordinary General Meeting or (as the case may be) the adjourned Extraordinary General Meeting.

As the Proposals are conditional on the passing of the Resolutions, Shareholders are requested to complete and return their Forms of Proxy, irrespective of the Election(s), if any, Shareholders intend to make in respect of their Shares.

Irrevocable Undertakings to vote in favour of the Proposals

Certain Shareholders (being members of the Parish family and connected persons) which, together, represent 55.8 per cent. of the Company's voting share capital, have undertaken to vote in favour of the Resolutions and have also undertaken to elect for the JPMorgan Elect Options under the Scheme in respect of 27,560,643 Shares in aggregate, representing 43.9 per cent. of the Company's issued share capital as at the Latest Practicable Date. These undertakings are conditional upon the Scheme not lapsing.

Recommendation

The Board, which has been advised by BDO, considers the Proposals to be in the best interests of the Company and Shareholders as a whole and recommends Shareholders to vote in favour of all of the Resolutions. In providing its advice to the Board, BDO has relied on the Directors' commercial assessment of the Proposals.

The Directors intend to vote in favour of the Resolutions in respect of their own beneficial holdings amounting, in aggregate, to 12,515,748 Shares (representing approximately 19.9 per cent. of the voting share capital of the Company, of which 11,852,600 Shares, representing approximately 18.9 per cent. of the voting share capital of the Company, are also the subject of the irrevocable undertakings referred to above) as at the Latest Practicable Date.

The Directors cannot, and do not, give any advice or recommendation to Shareholders as to which Option(s) they should elect for under the Proposals. In particular, the Directors are not responsible for, pass no judgment on, and are not offering, the JPMorgan Elect Securities. Such election will be a matter for each Shareholder to decide and will be influenced by his or her individual investment objectives and by his or her personal financial and tax circumstances. Accordingly, Shareholders should, before deciding which election(s) to make, read carefully all the information in this document and in the JPMorgan Elect Prospectus which accompanies this document.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should seek their own personal financial advice from an appropriately qualified independent financial adviser authorised under FSMA without delay.

Yours faithfully

C. Robin Woodbine Parish
Chairman

PART II

FURTHER DETAILS OF THE SCHEME

Implementation and mechanics of the Scheme

The Scheme involves the voluntary winding-up and reconstruction of the Company. As part of the Scheme it is necessary, for technical reasons, to modify the rights attaching to the Shares and amend the Articles of Incorporation in order to reorganise the Company's share capital to allow the distribution of assets in the manner envisaged under the Scheme. This is achieved by reclassifying the Shares into separate classes of Reclassified Shares carrying an entitlement to the assets comprising the Cash Fund and the Rollover Fund, as appropriate. The full terms of the proposed amendments are set out in Resolution 1 which is set out in the Notice of EGM on pages 53 to 55 of this document.

A copy of the Articles of Incorporation showing the proposed amendments will be available for inspection at the Company's registered office and at the venue for the Extraordinary General Meeting, being at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ, from the date of this document until the close of the Extraordinary General Meeting and at the Extraordinary General Meeting for at least 15 minutes prior to and during the Extraordinary General Meeting. Accordingly, subject (among other conditions) to the passing of the special and extraordinary resolutions set out in the Notice of EGM, the Shares will be reclassified with different rights, depending on the Elections made or deemed to be made under the Scheme.

The Scheme is conditional upon:

- the passing of all the Resolutions to be proposed at the Extraordinary General Meeting (or at any adjournment thereof) and all conditions to the Resolutions (excluding any condition relating to the passing of any other Resolution) being fulfilled;
- the FCA having agreed to admit the JPMorgan Elect Securities to be issued pursuant to the Scheme to the premium segment of the Official List and the London Stock Exchange having agreed to admit such JPMorgan Elect Securities to trading on the London Stock Exchange's Main Market; and
- the Directors not resolving to abandon the Scheme.

Subject to the satisfaction of the conditions of the Scheme, the Company will be placed into members' voluntary liquidation and the Scheme will take effect. It is expected that the Scheme will become effective on 21 June 2019 (or if the Calculation Date is postponed in the circumstances described under the heading "41 Cheval Place" in Part I (*Letter from the Chairman*) of this document, the date falling three Business Days after the Calculation Date).

If the conditions to the Scheme are not satisfied and the Scheme does not become effective, the Winding-up Resolution will, in any event, be put to Shareholders at the Extraordinary General Meeting which, if passed, will result in the Company being placed into voluntary liquidation on 20 June 2019.

Each of the Company, the Liquidators and JPMorgan Elect respectively have undertaken to enter into the Transfer Agreement and to use their respective reasonable endeavours to implement the Scheme in accordance with its terms, provided that the conditions of the Scheme are satisfied.

Before any assets are transferred to JPMorgan Elect under the Scheme or set aside to pay Shareholders who have elected for cash pursuant to the Cash Option, the Liquidators will retain cash and other assets in the Liquidation Fund in an amount which they consider sufficient to provide for all liabilities of the Company (including tax and contingent liabilities and an amount for unknown and unascertained liabilities of the Company) and costs which the Company has agreed to pay (including the costs of the Proposals payable by the Company to the extent not previously paid). The retention in respect of unknown and unascertained liabilities is currently expected to be £1,000,000. However, if contracts for the sale of 41 Cheval Place have not been exchanged prior to the commencement of the liquidation of ELEX, the amount of the retention is likely to be higher and will be determined at the Calculation Date. In addition, the Illiquid Assets will also be allocated to the Liquidation Fund.

After provision has been made for the Liquidation Fund, the cash, undertaking, assets and other rights of the Company shall be appropriated in the following order:

- first, there shall be appropriated to the Cash Fund such cash, undertaking, assets and other rights of the Company from the remaining assets of the Company after the appropriation to the Liquidation Fund as shall equal the aggregate Residual Value of all Shares with “D” rights, including those Shares held by Restricted Shareholders (which are Shares in respect of which Elections have been made, or are deemed to have been made, for the Cash Option), calculated as at the Calculation Date; and
- second, there shall then be appropriated to the Rollover Fund such cash, undertaking, assets and other rights of the Company remaining after the appropriations to the Liquidation Fund and the Cash Fund referred to above as shall equal the aggregate Residual Value of all the Shares with “A” rights, “B” rights and “C” rights (which are Shares in respect of which Elections have been made, or are deemed to have been made, for JPMorgan Elect Securities), calculated as at the Calculation Date.

The Rollover Fund will then be transferred to JPMorgan Elect pursuant to the terms of the Transfer Agreement and the stamp duty and stamp duty reserve tax (or other similar taxes or duties) payable on the transfer of the assets from the Company to JPMorgan Elect shall be borne by the enlarged JPMorgan Elect including the Company’s Shareholders electing to roll over. In consideration for such transfers, the applicable class of JPMorgan Elect Securities will be allotted to the Liquidators as nominees for the Shareholders who have elected or are deemed to have elected for JPMorgan Elect Securities. See the section headed “Dealings and settlement in JPMorgan Elect Securities” below.

Details of how the Residual Value of the Shares will be calculated are set out in Part IV (*The Scheme*) of this document.

The Cash Fund will be used to pay the entitlements of Shareholders (including Restricted Shareholders) who have chosen or are deemed to have chosen the Cash Option (see the section headed “Settlement of Elections for the Cash Option” below).

Entitlements of Eligible Shareholders under the Scheme

In order for an Election to be made validly in respect of any Shares under the Scheme, the Shareholder making the Election must be entered in the Register as the holder of such Shares on the Record Date. Eligible Shareholders can choose to receive any combination of the following in respect of all or part of their holding:

- Managed Income Shares; and/or
- Managed Growth Shares; and/or
- Managed Cash Shares; and/or
- cash.

In the event that Shareholders do not return a Form of Election or submit a TTE Instruction (as applicable) by 1.00 p.m. on 17 June 2019 or the Form of Election or TTE Instruction is not validly completed and/or submitted, such Shareholders (except Restricted Shareholders who will be deemed to have chosen the Cash Option) will be deemed to have chosen the Managed Income Shares Option in respect of their entire holding of Shares. Where Shareholders have made a valid Election in respect of only part of their holding, they will be deemed to have chosen the Managed Income Shares Option for the remainder of their holding.

Illustrative entitlement

For illustrative purposes only, if the Calculation Date had been the Latest Practicable Date, the unaudited net asset value of the Company was £46,254,000 (calculated on a bid basis and providing for the estimated expenses of the winding up of the Company of £500,000, the value of the Illiquid Assets which will be retained in the Liquidation Fund and a retention for the Liquidation Fund of £1,000,000). On this basis, the Residual Value per Share was £0.6790.

Had the Proposals been effected on the Latest Practicable Date and on the basis of the assumptions set out below, the following table illustrates the maximum number of each class of JPMorgan Elect Securities, or cash where the Cash Option is chosen, which an Eligible Shareholder who holds 1,000 Shares is entitled to if they were to elect only for that class of JPMorgan Elect Security or only the Cash Option. For the avoidance of doubt, if an Eligible Shareholder were to choose more than one class of JPMorgan Elect Securities, or if an Eligible Shareholder were to choose the Cash Option and one or more class of JPMorgan Elect Securities, they would not receive the amount of JPMorgan Elect Securities or cash in the table below, but would instead receive a reduced number of the relevant class of JPMorgan Elect Securities or cash calculated in accordance with the applicable Conversion Ratio and their multiple Elections.

	For every 1,000 Shares (rounded down to the nearest whole number of JPMorgan Elect Securities, where applicable)
Entitlement to Managed Income Shares	613
Or	
Entitlement to Managed Growth Shares	79
Or	
Entitlement to Managed Cash Shares	654
Or	
Cash Option (entitlement to cash)	£679.00

Assumptions:

For the purposes of calculating the illustrative entitlements above, the following assumptions have been used. The amounts have been calculated on information as at the Latest Practicable Date and should not be regarded as profit forecasts:

1. The assets of the Company and the Residual Value per Share are as set out in the first paragraph in this section.
2. The number of Shares in issue was 62,813,398 Shares
3. For the purposes of calculating Shareholder entitlements to the Managed Income Shares, Managed Growth Shares and Managed Cash Shares, the Issue Premium was 1.0 per cent.;
4. The net asset value per Managed Income Share was £1.096;
5. The net asset value per Managed Growth Share was £8.498;
6. The net asset value per Managed Cash Share was £1.028;
7. The Rollover Price per Managed Income Share was £1.107;
8. The Rollover Price per Managed Growth Share was £8.583; and
9. The Rollover Price per Managed Cash Share was £1.038.

It should be noted that the Residual Value of the Shares cannot be calculated until the Calculation Date, and accordingly may be different from the illustrative value set out above. Such illustrative value should not be regarded as a forecast of the actual Residual Value of the Shares which may differ from the illustrative value due to market movements and realisation costs, amongst other factors.

The Scheme, pursuant to which Shareholders will receive their entitlements under the Proposals, is set out in Part IV (*The Scheme*) of this document.

Fractions of JPMorgan Elect Securities

Fractions of JPMorgan Elect Securities will not be issued to Eligible Shareholders who elect for JPMorgan Elect Securities. Instead, the cash comprised in the Rollover Fund representing fractional entitlements will be aggregated and donated by JPMorgan Elect to the Nominated Charity.

Failure to make an Election

In the event that Shareholders do not return a Form of Election by 1.00 p.m. on 17 June 2019, the Form of Election is not validly completed or a TTE Instruction is not submitted, such Shareholders (except Restricted Shareholders who will be deemed to have chosen the Cash Option) will be deemed to have chosen the Managed Income Shares Option in respect of their entire holding.

Under Elections

If, on any Form of Election or by means of a TTE Instruction, a Shareholder, chooses one or more Option(s) and the total of his Elections is less than his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, he shall be deemed to have chosen the Managed Income Shares Option in respect of the balance of his holding.

Excess Elections

If, on any Form of Election or by means of a TTE Instruction, a Shareholder chooses one or more Options and the total of his Elections exceeds his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election or by means of a TTE Instruction shall be decreased *pro rata* in respect of the relevant Election (subject to rounding at the discretion of the Directors so as to avoid fractions), so that the total of such Elections shall equate to his total holding and, in any such case, such decreased Election shall be deemed to be the Election made by such Shareholder on the Form of Election or by means of a TTE Instruction for all purposes of the Scheme.

Restricted Shareholders and Overseas Shareholders

Restricted Shareholders will not receive a Form of Election and will be deemed to have chosen the Cash Option and will receive cash from the Company in respect of their entire holding of Shares in accordance with the rights attaching to their Shares as set out in the Articles of Incorporation, unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to offer and issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

Overseas Shareholders (who are not Restricted Shareholders) may participate in the Scheme, however it is their responsibility to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Proposals, further details of which are set out in Part III (*Action to be taken*) of this document.

The Extraordinary General Meeting

The implementation of the Scheme will require Shareholders to vote in favour of all the Resolutions at the Extraordinary General Meeting of the Company which has been convened for 12 noon on 20 June 2019. A description of the Resolutions to be proposed at the Extraordinary General Meeting is set out below:

Resolutions will be proposed which, if passed, will:

- (i) reclassify the rights attaching to the Shares to reflect the Elections made (or deemed to have been made) and accepted for the various Options under the Scheme;
- (ii) authorise the implementation of the Scheme by the Liquidators, including the entry into of the Transfer Agreement by the Liquidators, the allotment of the relevant number of JPMorgan Elect Securities by JPMorgan Elect, in each case to the Liquidators who will renounce such JPMorgan Elect Securities in favour of the Eligible Shareholders in accordance with the Scheme and to authorise the Liquidators to apply to cancel the listing of the Shares on the Official List of TISEA, with effect from such date as the Liquidators will determine;
- (iii) amend the Articles of Incorporation for the purposes of implementing the Scheme; and
- (iv) place the Company into liquidation, appoint the Liquidators and agree the basis of their remuneration, instruct the Administrator to hold the books to the Liquidators' order and provide the Liquidators with appropriate powers to carry into effect the amendments made to the Articles of Incorporation.

If all the Resolutions are not approved at the Extraordinary General Meeting or if the Scheme does not become unconditional, the Winding-up Resolution will, in any event, be put to Shareholders and, if passed, the Company will be placed into voluntary liquidation. In these circumstances, all Shareholders will receive a cash distribution in the Company's liquidation.

Dealings in Shares

The Shares will be disabled in CREST at 6.00 p.m. on 14 June 2019. The last time for trading in the Shares on the London Stock Exchange's SETSqx trading platform for normal settlement will be 6.00 p.m. on 14 June 2019. After 6.00 p.m. on 14 June 2019, dealings for normal settlement will be for cash settlement only and, in the case of certificated Shares, will only be registered if documents of title are delivered immediately. If Shareholders dispose of their Shares otherwise than through the London Stock Exchange, they must make their own arrangements with the other parties concerned as regards entitlements under the Scheme.

For the avoidance of doubt, the Company's register of members will remain open until the Scheme Effective Date. Conditional upon all the Resolutions at the Extraordinary General Meeting being passed, it is intended that subject to the Scheme becoming unconditional and effective, the listing of the Shares will be cancelled on or around 20 July 2019.

Settlement of Elections for the Cash Option

Shareholders who wish to receive cash under the Scheme in respect of their Shares must choose the Cash Option as Shareholders who fail to make a valid Election will, unless they are Restricted Shareholders, be deemed to have chosen the Managed Income Shares Option in respect of their entire holding. Restricted Shareholders will be deemed to have chosen the Cash Option in respect of their entire holding unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

If the Scheme becomes effective, on or following the Scheme Effective Date, the Liquidators shall distribute to Shareholders who have chosen the Cash Option the cash amounts due to such Shareholders, with entitlements to cash being rounded down to the nearest £0.01.

Cheques in respect of the cash due in respect of Elections made and accepted for the Cash Option by Shareholders who hold their Shares in certificated form are expected to be despatched by the Liquidators in the week commencing 1 July 2019. Shareholders who hold their Shares in uncertificated form (that is, in CREST) will receive payment of the cash amounts due to them during the week commencing 1 July 2019 through the CREST system.

Any interest accruing on cash balances held by the Liquidators pending presentation of cheques by Shareholders who have chosen the Cash Option under the Scheme will accrue to the Liquidation Fund.

Dealings and settlement in JPMorgan Elect Securities

Applications will be made by JPMorgan Elect to the FCA for the JPMorgan Elect Securities to be issued pursuant to the Scheme to be admitted to the premium segment of the Official List and to the London Stock Exchange for such shares to be admitted to trading on the London Stock Exchange's Main Market.

If the Scheme becomes effective, the first day of dealings in the JPMorgan Elect Securities issued under the Scheme is expected to be 24 June 2019 (or if the Calculation Date is postponed in the circumstances described under the heading "41 Cheval Place" in Part I (*Letter from the Chairman*) of this document, the date falling four Business Days after the Calculation Date).

The JPMorgan Elect Securities will be in registered form and may be held in either certificated or uncertificated form.

Shareholders who hold their Shares in certificated form at the Scheme Effective Date will receive their JPMorgan Elect Securities in certificated form. It is expected that share certificates in respect of such JPMorgan Elect Securities will be despatched to the Shareholders entitled to them during the week commencing 1 July 2019 or as soon as practicable thereafter.

Shareholders who hold their Shares in uncertificated form at the Scheme Effective Date will receive their JPMorgan Elect Securities in uncertificated form, although JPMorgan Elect reserves the right to issue such shares in certificated form. In normal circumstances this 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 JPMorgan Elect's registrars in connection with CREST. JPMorgan Elect will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to JPMorgan Elect Securities in uncertificated form. The stock accounts so credited will be those accounts held under the same participant ID and member account ID as those appearing in the relevant TTE Instruction.

It is expected that CREST stock accounts will be credited with the JPMorgan Elect Securities on 24 June 2019 (or if the Calculation Date is postponed in the circumstances described under the heading "41 Cheval Place" in Part I (*Letter from the Chairman*) of this document, the date falling four Business Days after the Calculation Date).

Share certificates

Existing certificates in respect of Shares will cease to be of value for any purpose following the implementation of the Scheme and such certificates should be destroyed upon receipt of the cash and/or JPMorgan Elect Securities to which the relevant Shareholder is entitled under the Scheme.

Distributions from the Liquidation Fund

To the extent that any part of the Liquidation Fund is not required to meet the Company's liabilities or the liabilities of the UK Subsidiaries, including the net proceeds of sale of any of the Illiquid Assets, the balance remaining in the hands of the Liquidators will be paid as one or more liquidation distributions to Shareholders who are on the Company's register of members at the close of business on the Scheme Effective Date on a *pari passu* basis *pro rata* to their respective holdings of Shares, provided that if any such amount otherwise payable to a Shareholder is less than £5.00, it will not be paid to such Shareholder but will be transferred by the Liquidators to a charity, Cancer Research UK (Registered Charity Number 1089464) (the **Nominated Charity**).

Shareholders' attention is drawn to paragraphs 5.10 and 5.11 of Part VI (*Additional Information*) of this document which explains the expected UK tax treatment of any distributions made to Shareholders out of the Liquidation Fund following the Scheme Effective Date.

Despatch of documents and remittances

All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Scheme will be despatched at Shareholders' own risk and no acknowledgement will be issued in respect of the receipt of Forms of Election.

Existing mandates

Each mandate in force duly notified to the Company as at the Record Date relating to payment of dividends in relation to the Shares and each instruction then in force as to notices and communication preferences from the Company will cease to be a valid and effective mandate or instruction to JPMorgan Elect in relation to the JPMorgan Elect Securities allotted and issued to such Shareholders in accordance with the Scheme.

PART III

ACTION TO BE TAKEN

Shareholders should read the following sections of this document carefully. If Shareholders are unsure as to what action they should take or how to take any action, they are recommended to seek immediately their own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.

Extraordinary General Meeting

The implementation of the Scheme will require Shareholders to vote in favour of all the Resolutions at the Extraordinary General Meeting of the Company which has been convened for 12 noon on 20 June 2019. The Notice of EGM is set out at the end of this document. The Extraordinary General Meeting will be held at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ.

A description of the special and extraordinary resolutions to be proposed at the EGM is set out in Part II (*Further details of the Scheme*) of this document.

All Shareholders are entitled to attend and vote at the EGM.

In order to ensure that a quorum is present at the EGM, it is necessary for two Shareholders entitled to vote to be present in person or by proxy (or, if a corporation, by a representative).

If a quorum (being two Shareholders present in person, by corporate representative or by proxy and entitled to vote) is not present within half an hour from the time appointed for holding the Extraordinary General Meeting, the meeting will stand adjourned to such time and place as the chairman of the EGM may decide and at such adjourned meeting one Shareholder present in person, by corporate representative or by proxy and entitled to vote shall be a quorum. Forms of Proxy will also be valid at the adjourned meeting.

In order for the Resolutions to be passed they must be approved by at least 75 per cent. of the votes cast at the EGM, whether in person or by proxy. Resolutions 1, 2 and 3 will be proposed as special resolutions and Resolution 4 will be proposed as an extraordinary resolution.

If all the Resolutions are not approved at the Extraordinary General Meeting or if the Scheme does not become unconditional, the Winding-up Resolution will, in any event, be put to Shareholders at the Extraordinary General Meeting which, if passed, would result in the voluntary liquidation of the Company. In these circumstances, all Shareholders will receive a cash distribution in the Company's liquidation.

Forms of Proxy

Shareholders will find enclosed with this document a Form of Proxy for use at the Extraordinary General Meeting.

Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete and sign the Form of Proxy and return it, in accordance with the instructions printed thereon, to the Company's Registrar's, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible, but in any event so as to be received by no later than 12 noon on 18 June 2019.

CREST members who wish to appoint a proxy for the Extraordinary General Meeting through the CREST electronic proxy appointment service are referred to Note (vi) to the Notice of EGM. Completion and return of a Form of Proxy or the giving of a CREST Proxy Instruction will not preclude a Shareholder from attending the Extraordinary General Meeting in person if he or she so wishes. Proxies submitted via CREST for the Extraordinary General Meeting must be transmitted so as to be received by Computershare Investor Services (Guernsey) Limited by no later than 48 hours (excluding non-working days) before the time of the Extraordinary General Meeting or (as the case may be) the adjourned meeting.

Making an Election

Action for holders of Shares in certificated form

The personalised Form of Election enclosed with this document is for use by Shareholders (other than Restricted Shareholders) who hold their Shares in certificated form and allows such Shareholders to indicate whether they wish to receive Managed Income Shares, Managed Growth Shares, Managed Cash Shares and/or cash under the Scheme in respect of their investment in the Company.

Shareholders (other than Restricted Shareholders) should read the Form of Election carefully, complete the appropriate boxes and return it by post in the enclosed reply-paid envelope for Shareholders with a UK registered address only or by post using your own envelope to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS13 8AE as soon as possible but in any event so as to arrive by no later than 1.00 p.m. on 17 June 2019.

Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

You should note that, if you hold Shares in both certificated and uncertificated form, you should complete a Form of Election for your certificated holding only and follow the procedure set out below under the heading "Action for holders of Shares in uncertificated form" in relation to your uncertificated holding.

If you hold your Shares in certificated form, but under different designations, you should complete a separate Form of Election in respect of each designation.

If you have any queries relating to the completion of Form(s) of Election and/or require additional form(s) please call Computershare Investor Services PLC on 0370 707 4040 from within the UK or on +44 (0) 370 707 4040 if calling from outside the UK. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8:30 a.m. until 5:30 p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline can provide information only regarding the completion of Forms of Proxy, submitting your proxies electronically and/or completion of Forms of Election but cannot provide you with any financial, legal or tax advice.

Restricted Shareholders will not be provided with a Form of Election and will receive cash under the Proposals unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to offer and issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

Action for holders of Shares in uncertificated form

If your Shares are held in uncertificated form, you should not complete a Form of Election in respect of such Shares. Instead, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares in respect of which you are choosing one or more of the Option(s) available under the Scheme to an escrow balance, specifying Computershare Investor Services PLC in its capacity as escrow agent under its participant ID referred to below, as soon as possible and in any event so that the transfer to escrow settles not later than 1.00 p.m. on 17 June 2019. You should send (or, if you are a CREST sponsored member procure that your CREST sponsor sends) a TTE Instruction to Euroclear which may be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the number of Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the Receiving Agent in its capacity as CREST receiving agent, which is 8RA18;
- the member account ID of the Receiving Agent, which for these purposes is:
Managed Income Shares Option – ELOROL01

Managed Growth Shares Option – ELOROL02

Managed Cash Shares Option – ELOROL03

Cash Option – ELOROL04

- the ISIN for the Shares which is GG00B77Q7194;
- the corporate action number for the Elections, which is allocated by Euroclear and can be found by viewing the relevant corporate actions details in CREST;
- a contact name and number, which should be inserted in the shared note field of the TTE Instruction;
- the intended settlement date for the transfer to escrow, which should be as soon as possible and in any event by no later than 1.00 p.m. on 17 June 2019; and
- the standard delivery instruction priority, which is 80.

Any Shareholder who is a CREST sponsored member should refer to its CREST sponsor before taking any action. A Shareholder's CREST sponsor will be able to confirm details of such Shareholder's participant ID and member account ID under which the Shares are held. In addition, only a Shareholder's CREST sponsor will be able to send the TTE Instruction in relation to the Shares for which they wish to choose one or more of the Option(s) available under the Scheme.

After settlement of the TTE Instructions, you will not be able to access the Shares in CREST for any transaction or for charging purposes, notwithstanding they will be held by the Receiving Agent as escrow agent. You are recommended to refer to the CREST Manual for further information on the CREST procedures outlined above.

The latest time and date for receipt of Forms of Election and TTE Instructions is 1.00 p.m. on 17 June 2019. The Record Date, being the date for determining which Shareholders are entitled to make Elections under the Scheme, is 6.00 p.m. on 17 June 2019.

Shareholders 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 the TTE Instruction and its settlement. Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to the Shares to settle prior to 1.00 p.m. on 17 June 2019. Shareholders are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

Failure to make an Election

In the event that Shareholders do not return a Form of Election by 1.00 p.m. on 17 June 2019, the Form of Election is not validly completed or a TTE Instruction is not submitted, such Shareholders (except Restricted Shareholders who will be deemed to have chosen the Cash Option) will be deemed to have chosen the Managed Income Shares Option.

Under Elections

If, on any Form of Election or by means of a TTE Instruction a Shareholder, chooses one or more Option(s) and the total of his Elections is less than his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, he shall be deemed to have chosen the Managed Income Shares Option in respect of the balance of his holding.

Excess Elections

If, on any Form of Election or by means of a TTE Instruction, a Shareholder chooses one or more Options and the total of his Elections exceeds his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election or by means of a TTE Instruction shall be decreased *pro rata* in respect of the relevant Election (subject to rounding at the discretion of the Directors so as to avoid fractions), so that the total of such Elections shall equate to his total holding and, in any such case, such decreased Election shall be deemed to be the Election made by such Shareholder on the Form of Election or by means of a TTE Instruction for all purposes of the Scheme.

Restricted Shareholders and Overseas Shareholders

The terms of the Proposals, as they relate to Overseas Shareholders, may be affected by laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements.

It is the responsibility of Overseas Shareholders who are not Restricted Shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Proposals, including the obtaining of any governmental or other consents which may be required, compliance with necessary formalities and the payment of any issue, transfer or other taxes due to such jurisdiction.

Overseas Shareholders should note, however, that if they have registered addresses in the United States, Canada, Australia, Japan, the Republic of South Africa or any EEA State (other than the United Kingdom) they are deemed to be Restricted Shareholders and are not meant to receive Forms of Election or the JPMorgan Elect Prospectus, and will be deemed under the terms of the Scheme to have made irrevocable Elections for the Cash Option unless they have satisfied the Directors and the JPMorgan Elect Directors that it is lawful for JPMorgan Elect to offer and issue JPMorgan Elect Securities to them under any relevant overseas laws and regulations.

Shareholders who are subject to taxation outside the United Kingdom should consult their tax advisers as to the tax effect of the Proposals on them.

Further information in relation to Restricted Shareholders and Overseas Shareholders is set out in paragraph 9 of Part IV (*The Scheme*) of this document.

PART IV

THE SCHEME

1 Definitions and interpretation

Words and expressions defined on pages 4 to 9 have the same meanings when used in this Scheme.

2 Elections and entitlements under the Scheme

- 2.1 Subject to Resolutions 1 and 2 contained in the Notice of EGM being passed at the Extraordinary General Meeting, or at any adjournment thereof, and becoming unconditional:
- (a) the Shares in respect of which the holders have made, or are deemed to have made, valid Elections for Managed Income Shares will be reclassified as Shares with “A” rights;
 - (b) the Shares in respect of which the holders have made valid Elections for Managed Growth Shares will be reclassified as Shares with “B” rights;
 - (c) the Shares in respect of which the holders have made valid Elections for Managed Cash Shares will be reclassified as Shares with “C” rights; and
 - (d) the Shares in respect of which the holders have made, or are deemed to have made, valid Elections for the Cash Option will be reclassified as Shares with “D” rights.
- 2.2 The rights of the Shares following the passing of such Resolutions will be the rights attaching to the new classes of Shares with “A” rights, Shares with “B” rights, Shares with “C” rights and Shares with “D” rights all as set out in Articles 4A and 4B to be inserted in the Articles of Incorporation of the Company pursuant to Resolution 1 contained in the Notice of EGM and references to Shareholders shall be construed accordingly.
- 2.3 On or as soon as practicable after the Calculation Date, the Company, in consultation with the Liquidators, shall calculate, for the purposes of determining the Residual Value per Share, the total assets of the Company (the **Total Assets**) as being the aggregate value thereof as valued in accordance with paragraph 4.1 below as at 5.00 p.m. on the Calculation Date. Specified testing procedures will be carried out on the net value calculation and the calculations of the Residual Value and the Residual Value per Share by PricewaterhouseCoopers CI LLP, the Company’s independent auditors.
- 2.4 In advance of the Calculation Date, the Company will have, to the extent practicable and required, realised or realigned the undertaking and businesses carried on by the Company in accordance with the Scheme and the Elections made, or deemed to have been made, by Shareholders, so that, so far as practicable, the Company will hold, in addition to the assets to be appropriated to the Liquidation Fund, a separate investment portfolio in the Rollover Fund as will, on or before the Scheme Effective Date, be suitable for transfer to JPMorgan Elect and will be so transferred on the Scheme Effective Date, by virtue of the Transfer Agreement.
- 2.5 The Form of Election and the provisions set out thereon shall form part of this Scheme. Forms of Election submitted by facsimile shall not be valid and effective.
- 2.6 If no number of Managed Income Shares, Managed Growth Shares or Managed Cash Shares is set out in the Form of Election or no TTE Instruction is submitted by an Eligible Shareholder, then any Election made or deemed to have been made by any such holder shall operate in accordance with the provisions set out in paragraph 2.9 below in respect of the Shareholder’s actual holding.
- 2.7 If, on any Form of Election or by means of a TTE Instruction, a Shareholder makes an Election for one or more of the Option(s) and the total of his Elections is less than his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, he shall be deemed to have elected for the Managed Income Shares Option in respect of the balance of his holding.
- 2.8 If, on any Form of Election or by means of a TTE Instruction, a Shareholder makes an Election for one or more of the Option(s) and the total of his Elections exceeds his total holding shown on the Form of Election or, if different, his actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election or by means of a

TTE Instruction shall be decreased *pro rata* in respect of the relevant Election (subject to rounding at the discretion of the Directors so as to avoid fractions), so that the total of such Elections shall equate to his total holding and, in any such case, such decreased Election shall be deemed to be the Election made by such Shareholder on the Form of Election or by means of a TTE Instruction for all purposes of this Scheme.

- 2.9 Shareholders who do not validly complete and return a Form of Election or send a TTE instruction in respect of their Elections in accordance with the instructions set out in Part III (*Action to be taken*) of this document by 1.00 p.m. on 17 June 2019 (in the circumstances set out in paragraph 2.6 above) will be deemed to have elected for the Managed Income Shares Option in respect of their entire holding of Shares (or such part of their holding as shall not be subject to an Election for any of the other Options which has been made and accepted).
- 2.10 By signing and delivering a Form of Election or sending a TTE Instruction through CREST and in consideration of the Company agreeing to process the Form of Election or TTE Instruction (as the case may be), each Shareholder agrees that an Election made on a Form of Election or in a TTE Instruction will be irrevocable (other than with the consent of the Directors) and, by signature and delivery or by such despatch thereof, such Shareholder represents and warrants that the Election is valid and binding and is made in accordance with all applicable legal requirements.
- 2.12 The Directors reserve the right to accept, at their sole discretion, delivery of Forms of Election after 1.00 p.m. on 17 June 2019.

3 Apportionment of the Company's Total Assets

- 3.1 On the Calculation Date, or as soon as practicable thereafter, the Company, in consultation with the Liquidators, shall finalise the division of the Total Assets and appropriate them to three separate and distinct funds, the Liquidation Fund, the Cash Fund and the Rollover Fund as provided for and in the order specified below:
- (a) there shall be appropriated to the Liquidation Fund such of the cash, undertaking and other assets of the Company (including receivables and contingent assets) of a value calculated in accordance with paragraph 4.1 and estimated by the Directors in consultation with the Liquidators, to be sufficient to meet the current and future, actual and contingent liabilities of, and any other amounts payable by the Company (as provided in paragraphs (i) to (vii) below) which shall include, but not be limited to (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):
- (i) the administration costs of the Company that are expected to be incurred during the period commencing on the Calculation Date and ending on the Scheme Effective Date;
 - (ii) the costs and expenses incurred and to be incurred by the Company and the Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents including the Transfer Agreement, in each case as not otherwise paid prior to the liquidation;
 - (iii) the costs and expenses to be incurred by the Liquidators in connection with the realisation of the Illiquid Assets;
 - (iv) the costs and expenses of winding-up the Company (which includes the costs and expenses in relation to the Liquidators maintaining the Company in liquidation until the date of final dissolution of the Company), including the fees and expenses of the Liquidators;
 - (v) any declared but unpaid dividends of the Company;
 - (vi) any tax and contingent liabilities of the Company; and
 - (vii) any amounts considered by the Liquidators to be appropriate to provide for any unknown, unascertained, unrecorded or contingent liabilities of the Company or the UK Subsidiaries (such amount is expected to be £1,000,0000; however, if contracts

for the sale of 41 Cheval Place have not been exchanged prior to the commencement of the liquidation of ELEX the amount of the retention is likely to be higher and will be determined at the Calculation Date) (the **Retention**),

in each case including any VAT in respect thereof.

For the avoidance of doubt, stamp duty and stamp duty reserve tax (or other similar transfer taxes or duties) payable on the transfer of the assets comprising the Rollover Fund from the Company to JPMorgan Elect shall not be borne by the Liquidation Fund;

- (b) there shall also be appropriated to the Liquidation Fund such assets of the Company which either cannot be transferred or are not suitable for transfer to JPMorgan Elect, including, without limitation, the Illiquid Assets. For the avoidance of doubt, these will not be taken into account as comprising the Retention or any liabilities of the Company or the UK Subsidiaries where only cash/near cash instruments will be allocated to the Liquidation Fund to cover such liabilities;
 - (c) there shall then be appropriated to the Cash Fund such cash, undertaking, assets and other rights of the Company from the remaining assets of the Company after the appropriation referred to in sub-paragraphs (a) and (b) above which amount to the aggregate Residual Value of all Shares with "D" rights (which are Shares in respect of which Elections have been made, or are deemed to have been made, for the Cash Option), in each case calculated as at the Calculation Date in accordance with paragraph 4.1 below; and
 - (d) there shall then be appropriated to the Rollover Fund such cash, undertaking, assets and other rights of the Company from the remaining assets of the Company after the appropriations referred to in sub-paragraphs (a), (b) and (c) above which amount to the aggregate Residual Value of all Shares with "A" rights, "B" rights and "C" rights (which are Shares in respect of which successful Elections have been made, or are deemed to have been made, for JPMorgan Elect Securities), in each case calculated as at the Calculation Date in accordance with paragraph 4.1 below.
- 3.2 Interest, income and other rights or benefits accruing in respect of any of the undertaking, cash or other assets comprised in any of the Liquidation Fund, the Cash Fund or the Rollover Fund shall form part of that fund, 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 Scheme Effective Date shall be deemed to form part of the Liquidation Fund.
- 3.3 In advance of the Scheme Effective Date, the Company shall afford JPMorgan Elect (or its agents) a reasonable opportunity prior to the Transfer Date to satisfy itself that the securities and other assets intended to form part of the Rollover Fund can be accepted by JPMorgan Elect without infringing the investment objectives and policies applicable to the JPMorgan Elect Securities and, in particular, so as not to cause infringement of such investment objectives, policies or restrictions contained in the JPMorgan Elect Prospectus.
- 3.4 Any class action rights or similar rights in respect of present or past investments of the Company shall accrue to the Liquidation Fund, the Cash Fund or the Rollover Fund in accordance with the Elections made, or deemed to have been made, by Shareholders pursuant to the Proposals.
- 3.5 Any transaction taxes, stamp duty/stamp duty reserve tax payable on the transfer of assets comprising the Rollover Fund to JPMorgan Elect shall be borne by the enlarged JPMorgan Elect including the Company's Shareholders electing to roll over, and shall not be for the account of the Company.
- 3.6 The Liquidators retain the right to adjust the value of the Liquidation Fund on the Scheme Effective Date by way of a *pro-rata* adjustment to the Cash Fund and the Rollover Fund should the value of the Company's liabilities increase between the Calculation Date and the Scheme Effective Date.

4 Calculations of value of the Total Assets

- 4.1 For the purposes of the calculation of the value of the Total Assets required to be made on the Calculation Date when appropriating assets to the Liquidation Fund, the Cash Fund and the Rollover Fund and also the calculation of the Residual Value per Share, the assets of the Company will be valued on the basis that:
- (a) investments of the Company which are listed, quoted or traded on a recognised stock exchange other than the London Stock Exchange shall be valued by reference to the bid prices on the principal stock exchange where the relevant investment is listed, quoted or dealt in as at the Calculation Date, as shown by the relevant exchange's recognised method of publication of prices for such investments or, in the absence of any such recognised method, by the latest quoted price on the Calculation Date. Investments of the Company which are listed on the London Stock Exchange will be valued according to the prices issued by the London Stock Exchange as at the Calculation Date, being the bid prices (or in the case of investments temporarily suspended from listing on the Calculation Date, the suspension price). If any such investments are traded under SETS and the latest recorded prices at which such investments have been traded as shown in the Official List differ materially from the bid and offer prices of the investments quoted on SETS as at the Calculation Date, the value of such investments will be adjusted to reflect fair realisable value as determined by the Directors. Debt related securities will be valued by reference to the bid price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Date;
 - (b) unlisted investments or quoted investments of the Company which are subject to restrictions on transferability will be valued at their fair value which shall be determined by the Directors. If in any case the Directors determine that fair value cannot be readily measured, the valuation will be the same as at the previous reported value unless there is evidence that the asset has been since impaired, in which case the Directors will reduce the value;
 - (c) cash and deposits with, or balances at, banks 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 Calculation Date 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 yet received and any accrual of interest on debt related securities to the extent not already taken into account under paragraphs (a) or (b) above) on the Calculation Date will 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 appropriate;
 - (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 on the Calculation Date as may be determined by the Directors;
 - (f) any securities issued by an issuer which is in liquidation, administration, receivership, Chapter 11 or any analogous proceedings shall be valued at a price determined by the Directors; and
 - (g) any debtors or contingent assets will be valued in accordance with the Company's normal accounting policy.
- 4.2 For the purposes of this Scheme, the **Residual Value** shall be the net asset value of the Company on the basis that the assets of the Company are valued in accordance with paragraph 4.1 above less the Liquidation Fund as calculated in accordance with paragraphs 3.1(a) and 3.1(b) above and the **Residual Value per Share** shall equal the Residual Value divided by the number of Shares in issue as at the Calculation Date (excluding any Shares held in treasury).
- 4.3 Notwithstanding the foregoing, the Directors (or a duly authorised committee thereof), may, in their absolute discretion, permit an alternative method of valuation to be used if they, acting in good faith, consider that such valuation better reflects the fair value of any asset or security.

None of the Company, the Directors, JPMF, JPMAM, JPMorgan Elect nor the Liquidators shall 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.

- 4.4 The Liquidation Fund shall be applied by the Liquidators in discharging the liabilities of the Company (including those referred to in paragraph 3.1(a) above).

5 Provision of information by Liquidators

On the Scheme Effective Date (prior to the transfer of the Rollover Fund under this Scheme), the Liquidators shall deliver to JPMF and JPMorgan Elect the particulars of the assets comprised in the Rollover Fund, together with a list certified by the Registrars of the names and addresses of, and the numbers of Shares with "A" rights, "B" rights and "C" rights held by Shareholders on the Register on the Scheme Effective Date.

6 Distribution of the Cash Fund

- 6.1 On or following the Scheme Effective Date or as soon as practicable thereafter, the Liquidators shall procure the payment out of the Cash Fund to each holder of Shares with "D" rights of an amount of cash equal to the Residual Value per Share multiplied by the number of Shares with "D" rights held by such holder with entitlements being rounded down to the nearest £0.01.
- 6.2 The Registrars shall provide to the Liquidators a certified list of holders of Shares with "D" rights as at the Scheme Effective Date. In relation to any distribution, no single payment of less than £5.00 will be made to any Shareholder but instead shall be paid to the Nominated Charity.

7 Transfer of assets pursuant to the Transfer Agreement

- 7.1 On the Scheme Effective Date or as soon as practicable thereafter the Liquidators shall, and shall procure that 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 Rollover Fund to JPMorgan Elect in exchange for the allotment of JPMorgan Elect Securities to the Liquidators as nominees for the holders of Shares with "A" rights, Shares with "B" rights and Shares with "C" rights on the basis set out in paragraph 8 below.
- 7.2 In accordance with the Transfer Agreement, the undertaking and assets to be transferred to JPMorgan Elect 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. Further, in accordance with the Transfer Agreement, the Company, acting by the Liquidators, shall, insofar as it is reasonably able to do so by law or otherwise, comply with all reasonable requests made by JPMorgan Elect in respect of vesting in JPMorgan Elect the title to and enjoyment of the Rollover Fund to be transferred to it and shall, in particular, account to JPMorgan Elect for all income, dividends, distributions, interest and other rights and benefits in respect of such assets received after the Scheme Effective Date.
- 7.3 If, on or prior to the Scheme Effective Date, the Company is informed in writing by JPMF that the issue of JPMorgan Elect Securities will not proceed on or prior to 31 July 2019, the Liquidators shall not enter into a Transfer Agreement with JPMorgan Elect but instead shall procure the transfer of the Rollover Fund into the Liquidation Fund as soon as reasonably practicable.
- 7.4 In the event that Admission does not become effective on or prior to 24 June 2019 or, if applicable, the fourth Business Day falling after the Calculation Date (or such later date as may be agreed between the Company, JPMorgan Elect and Winterflood, not being later than 31 July 2019) and the Rollover Fund has been transferred to JPMorgan Elect, JPMorgan Elect shall retransfer the Rollover Fund to the Company on demand by the Liquidators and the Liquidators shall proceed with the voluntary liquidation of the Company.

8 Issue of JPMorgan Elect Securities pursuant to the Scheme

- 8.1 Upon the transfer of the Rollover Fund in accordance with paragraph 7.1 above, JPMorgan Elect Securities shall be allotted to the Liquidators as nominees for the holders of Shares with “A” rights, Shares with “B” rights and Shares with “C” rights on the basis set out in paragraph 8.3 below.
- 8.2 The JPMorgan Elect Securities to be issued pursuant to paragraph 8.1 above shall be allotted to the Liquidators as nominees for the Shareholders holding Shares with “A” rights, Shares with “B” rights and Shares with “C” rights as soon as practicable after the delivery to JPMF and JPMorgan Elect of the particulars referred to in paragraph 5 above whereupon the Liquidators shall renounce the allotments of the relevant JPMorgan Elect Securities in favour of the Reclassified Shareholders entitled to them in accordance with this Scheme. On such renunciation, JPMorgan Elect will issue the relevant JPMorgan Elect Securities to the Reclassified Shareholders entitled thereto. The registrar of JPMorgan Elect will arrange for the despatch of certificates in relation to such JPMorgan Elect Securities to the Reclassified Shareholders entitled to them at their respective addresses appearing in the Register (and in the case of joint holders, the address of the first named) or in the case of Reclassified Shareholders previously holding uncertificated Shares, JPMorgan Elect’s registrar will procure that Euroclear is instructed to credit the appropriate stock accounts in CREST of such Reclassified Shareholders with such Reclassified Shareholders’ respective entitlements to the relevant JPMorgan Elect Securities in each case at the risk of the person entitled thereto. JPMorgan Elect shall be entitled to assume that all information delivered to it in accordance with paragraph 5 above is correct and to utilise the same in procuring registration of the relevant JPMorgan Elect Securities issued pursuant to this Scheme.
- 8.3 The issue of JPMorgan Elect Securities pursuant to the allotment referred to in paragraph 8.1 above shall be made to or on behalf of holders of Reclassified Shares (other than Restricted Holders), who have elected or are deemed to have elected for Managed Income Shares, Managed Growth Shares and Managed Cash Shares on the basis that:
- (a) in respect of Reclassified Shareholders holding reclassified Shares with “A” rights, the number of Managed Income Shares to which they shall be entitled in respect of such reclassified Shares with “A” rights shall be determined:
 - (i) by multiplying the number of Shares with “A” rights held by the Residual Value per Share; and
 - (ii) dividing the result by the NAV per Managed Income Share as at the Calculation Date plus the applicable Issue Premium to produce the appropriate number of Managed Income Shares to be issued by JPMorgan Elect;
 - (b) in respect of Reclassified Shareholders holding reclassified Shares with “B” rights, the number of Managed Growth Shares to which they shall be entitled in respect of such reclassified Shares with “B” rights shall be determined:
 - (i) by multiplying the number of Shares with “B” rights held by the Residual Value per Share; and
 - (ii) dividing the result by the NAV per Managed Growth Share on the Calculation Date plus the applicable Issue Premium to produce the appropriate number of Managed Growth Shares to be issued by JPMorgan Elect; and
 - (c) in respect of Reclassified Shareholders holding reclassified Shares with “C” rights, the number of Managed Cash Shares to which they shall be entitled in respect of such reclassified Shares with “C” rights shall be determined:
 - (i) by multiplying the number of Shares with “C” rights held by the Residual Value per Share; and
 - (ii) dividing the result by the NAV per Managed Cash Share on the Calculation Date plus the applicable Issue Premium to produce the appropriate number of Managed Cash Shares to be issued by JPMorgan Elect.

In each case, fractional entitlements will not be issued to Reclassified Shareholders holding Shares with “A” rights, Shares with “B” Rights or Shares with “C” rights, and the number of Managed Income Shares, Managed Growth Shares or Managed Cash Shares to be issued to each such Reclassified Shareholder shall be rounded down to the nearest whole number. The cash comprised in the Rollover Fund representing such fractional entitlements will be aggregated and donated by JPMorgan Elect to the Nominated Charity in accordance with the Transfer Agreement.

- 8.4 For the purposes of determining the number of Managed Income Shares, Managed Growth Shares and Managed Cash Shares to be issued in accordance with paragraph 8.3 above:
- (a) the NAV per Managed Income Share shall exclude the value of any dividends payable in respect of the Managed Income Shares that will not be payable to Shareholders who have elected (or are deemed to have elected) for the Managed Income Shares Option; and
 - (b) the applicable Issue Premium shall be calculated as follows:
 - (i) if the value of the Rollover Fund calculated in accordance with paragraph 4.1 above is less than £40 million, the Issue Premium will be 1.0 per cent. of the NAV per Managed Income Share, 1.0 per cent. of the NAV per Managed Growth Share or 1.0 per cent. of the NAV per Managed Cash Share, as applicable; and
 - (i) if the value of the Rollover Fund calculated in accordance with paragraph 4.1 equals or exceeds £40 million, the Issue Premium will reduce on a straight line basis so that at a value of £50 million or more, the Issue Premium will be 0.65 per cent. of the NAV per Managed Income Share, 0.65 per cent. of the NAV per Managed Growth Share or 0.65 per cent. of the NAV per Managed Cash Share, as applicable.

9 Overseas Shareholders and Restricted Shareholders

- 9.1 Overseas Shareholders (who are not Restricted Shareholders) are entitled to participate in the Scheme. However, where the Directors and/or the JPMorgan Elect Directors, acting reasonably, consider that any offer or issue of JPMorgan Elect Securities to those Overseas Shareholders would or may involve a breach of the securities laws or regulations of any jurisdiction, or if the Directors and/or the JPMorgan Elect Directors reasonably believe that the same may violate any applicable legal or regulatory requirements or may require JPMorgan Elect to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Directors and/or the JPMorgan Elect Directors have not been provided with evidence reasonably satisfactory to them that the relevant Overseas Shareholders are permitted to be offered, issued or to hold JPMorgan Elect Securities under any relevant securities laws or regulations of such overseas jurisdictions (or that JPMorgan Elect would be subject to any additional regulatory requirements to which it would not have been subject but for such issue), such Overseas Shareholders will be deemed to have elected for the Cash Option.
- 9.2 Subject as provided in paragraph 9.3 below, Restricted Shareholders shall not be entitled to receive JPMorgan Elect Securities, but shall instead be deemed to have elected for cash pursuant to the Cash Option under the Scheme and shall be entitled to receive payment in cash out of the Cash Fund for their Shares, save that any amount otherwise payable to a Restricted Shareholder that is less than £5.00 will not be paid to such Restricted Shareholder but will be transferred by the Liquidators to the Nominated Charity.
- 9.3 The provisions of this Scheme relating to Overseas Shareholders and Restricted Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Directors and the JPMorgan Elect Directors in their absolute discretion.

10 Application of Liquidation Fund

- 10.1 On and following the Scheme Effective Date, the Liquidation Fund shall be applied by the Company (acting by the Liquidators) in discharging the liabilities of the Company and the UK Subsidiaries (including those referred to in paragraph 3.1(a) above).

- 10.2 Any surplus in the Liquidation Fund (including from the realisation of any of the Illiquid Assets) shall be paid in cash to Reclassified Shareholders who are on the Company's register of members at the close of business on the Scheme Effective Date on a *pari passu* basis *pro rata* to their respective holdings of the Shares, prior to the reclassification of the Shares, provided that if any such amount otherwise payable to a Shareholder is less than £5.00, it will not be paid to such Shareholder but will be transferred by the Liquidators to the Nominated Charity.
- 10.3 To the extent that the Liquidators make interim distributions, any such interim distribution to Reclassified Shareholders will be made in accordance with paragraph 10.2.

11 Modifications

Notwithstanding any other provision of this Scheme, the provisions of this Scheme shall have effect subject to such non-material modifications or additions as the Directors, the Liquidators, JPMF and JPMorgan Elect may from time to time approve in writing.

12 Reliance on information

Each of the Company, the Directors, the Liquidators, JPMF, JPMAM and JPMorgan Elect 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 this 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), JPMF, JPMAM, the Registrar, JPMorgan Elect or by their respective auditors, bankers or other professional advisers and no such persons shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder or JPMorgan Elect.

13 Liquidators' liability

Nothing in this Scheme or in any document executed under or in connection with this Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, mean that the Liquidators shall have no personal liability for any action taken by the Liquidators in accordance with this Scheme or the Transfer Agreement.

14 Conditions

14.1 This Scheme is conditional upon:

- (a) the passing of all the Resolutions to be proposed at the Extraordinary General Meeting (or any adjournment thereof) and all conditions to such Resolutions (excluding any condition relating to the passing of any other Resolution) being fulfilled;
- (b) the FCA having agreed to admit the JPMorgan Elect Securities to be issued pursuant to this Scheme to the premium segment of the Official List and the London Stock Exchange having agreed to admit such JPMorgan Elect Securities to trading on the London Stock Exchange's Main Market; and
- (c) the Directors not resolving to abandon this Scheme pursuant to paragraph 14.2 below.

In the event that any of the conditions specified above fails to be satisfied the Scheme will not become effective, but subject to the passing of the Winding-up Resolution at the Extraordinary General Meeting the Company will be placed into voluntary liquidation. In these circumstances, all Shareholders will receive a cash distribution in the Company's liquidation.

14.2 The Directors have the discretion to determine that this Scheme should not proceed if they consider that it is no longer in Shareholders' best interests.

14.3 Subject to paragraph 14.1 above, this Scheme shall become effective at midnight on the date on which the Winding-up Resolution is passed or in the event that the Calculation Date is postponed in the circumstances described under the heading “41 Cheval Place” in Part I (*Letter from the Chairman*) of this document, at midnight on the day immediately preceding the date falling three Business Days after the Calculation Date.

14.4 Unless this Scheme shall have become effective on or before 31 July 2019, this Scheme shall not become effective.

15 General

15.1 Each mandate in force duly notified to the Company as at the Record Date relating to payment of dividends in relation to the Shares and each instruction then in force as to notices and communication preferences from the Company will cease to be a valid and effective mandate or instruction to JPMorgan Elect in relation to the JPMorgan Elect Securities issued to the holders of such Shares.

15.2 This Scheme shall, in all respects, be governed by, and construed in accordance with, the laws of the Island of Guernsey.

PART V

THE ROLLOVER VEHICLE – JPMORGAN ELECT PLC

Any investment in JPMorgan Elect will be governed by the JPMorgan Elect Prospectus which accompanies this document (except where this document has been sent to Restricted Shareholders). Accordingly Shareholders are required to read the JPMorgan Elect Prospectus and in particular the risk factors contained therein prior to deciding whether or not to make an Election for any of the JPMorgan Elect Securities.

Introduction

JPMorgan Elect is an investment trust company whose shares are admitted to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market. JPMorgan Elect has three share classes, Managed Income Shares, Managed Growth Shares and Managed Cash Shares, each with distinct investment policies, objectives and underlying investment portfolios. Each share class is listed separately and traded on the London Stock Exchange.

JPMorgan Elect's capital structure allows its shareholders the opportunity, in February, May, August and November, to convert part or all of their shareholdings into shares of JPMorgan Elect's other share classes so that shareholders may benefit from greater investment flexibility in a tax-efficient manner. It is also possible for holders of Managed Cash Shares to elect to have all or part of their holding of those shares repurchased by JPMorgan Elect for cash at a price close to net asset value at each conversion date.

JPMorgan Elect employs JPMF which, in turn, delegates portfolio management to JPMAM to manage its assets actively.

The JPMorgan Elect Board has determined investment policies and related guidelines and limits for each class of share. These objectives, investment policies and related guidelines and limits are detailed below. Compliance with the JPMorgan Elect Board's investment restrictions and guidelines for all three portfolios is monitored continuously by JPMF and is reported to the JPMorgan Elect Board on a monthly basis.

Managed Income

Objective

The objective of the Managed Income Shares portfolio is to achieve a growing income return with potential for long term capital growth by investing primarily in UK equities.

Investment Policy and Risk Management

In order to achieve its stated investment policy and to seek to manage investment risks, the Managed Income Shares portfolio is invested in a diversified portfolio of UK equities and may invest in investment companies and open-ended funds. The number of investments in the portfolio will normally range between 50 and 80.

Investment Restrictions and Guidelines

- No more than 10 per cent. of the value of the portfolio's gross assets will be invested in any single investment.
- The portfolio does not invest more than 10 per cent. of its gross assets in any company that itself may invest more than 15 per cent. of its gross assets in UK listed investment companies.
- The portfolio will be between 90-100 per cent invested in equities (including investment companies) and fixed interest securities.
- The investment managers may write options within parameters set by the Board. Prior approval is required from the Board for investment in all other derivative instruments. Board permission has been granted for the limited use of futures for tactical asset allocation purposes. Investments in derivatives will only be made for the purposes of efficient portfolio management.

The Managed Income Share class has the ability to use short term gearing to increase potential returns to shareholders. Its policy is to operate within a gearing range of 15 per cent. cash to 12.5 per cent. geared.

All of the above limits will be tested at the time of making, or adding to, the relevant investment.

Benchmark

The Managed Income portfolio's benchmark is the FTSE All-Share Index (Total Return). Prior to 1 March 2018 the benchmark was a composite comprising 85 per cent. FTSE All-Share Index and 15 per cent. Barclays Capital Global Corporate Bond Index (hedged) in sterling terms.

Management Fee

There is no management fee on assets invested in JPMorgan managed funds. The management fee is 0.6 per cent. per annum on assets invested in non-JPMorgan managed funds and direct investments. Investments in JPMorgan's retail open-ended pooled funds qualify for a partial rebate of the underlying fee. As at 28 February 2019 (being JPMorgan Elect's half year end), the ongoing charges for the Managed Income Shares class were 0.83 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Managed Growth

Objective

The objective of the Managed Growth Shares portfolio is to achieve long term capital growth from investing in a range of investment trusts and open-ended funds managed principally by JPMAM.

Investment Policy and Risk Management

In order to achieve its stated investment policy and to seek to manage investment risks, the Managed Growth Shares portfolio is invested in a diversified range of investment trusts and open-ended funds, which themselves invest in the UK and overseas. The number of investments in the portfolio will normally range between 30 and 50.

Investment Restrictions and Guidelines

- No more than 10 per cent. of the value of the portfolio's gross assets will be invested in any single investment.
- The portfolio does not invest more than 10 per cent. of its gross assets in any company that itself may invest more than 15 per cent. of its gross assets in UK listed investment companies.
- An investment in any open-ended fund will not exceed 25 per cent. of the market capital of the investee fund.
- Investments in third party managed funds will not normally exceed 40 per cent. of the portfolio's gross assets.
- Board permission has been granted for the limited use of futures for tactical asset allocation purposes. Other than this, the portfolio will not normally invest in derivative instruments – prior approval is required from the Board if such an investment is desired. Investments in derivatives will only be made for the purposes of efficient portfolio management.
- The Board does not intend to utilise borrowings to increase the funds available for investment for the Managed Growth Share class. The Board monitors closely the level of indirect gearing through the underlying investments.

The underlying portfolio should be invested 95-120 per cent.

All of the above limits will be tested at the time of making, or adding to, the relevant investment.

Benchmark

The Managed Growth portfolio's benchmark is a composite comprising 50 per cent. FTSE All-Share Index and 50 per cent. FTSE World Index (ex-UK) (all total return).

Management Fee

The management fee is 0.3 per cent. per annum on assets invested in JPMorgan managed funds and 0.6 per cent. per annum on assets invested in non-JPMorgan managed funds and direct

investments. Investments in JPMorgan's retail open-ended pooled funds qualify for a partial rebate of the underlying fee which is paid back to JPMorgan Elect. As at 28 February 2019 (being JPMorgan Elect's half year end), the ongoing charges for the Managed Growth Shares class were 0.58 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Managed Cash

Objective

The investment objective of the Managed Cash Shares portfolio is to achieve a return in excess of sterling money markets by investing primarily in GBP denominated short-term debt securities.

Investment Policies and Risk Management

In order to achieve its stated investment objective and seek to manage investment risks, JPMorgan Elect will invest all or substantially all of the assets of the Managed Cash Share class in JPMorgan Funds – Sterling Managed Reserves Fund (**JSMRF**), a UCITS fund launched on 22 August 2016, or any successor vehicle of JSMRF. The investment policy of JSMRF is to invest primarily in GBP denominated short-term debt securities.

JPMorgan Elect, through its investment in JSMRF, will maintain a diversified portfolio of investments. In particular, JPMorgan Elect will adhere to the following restrictions calculated as a percentage of the gross assets of JSMRF attributable to JPMorgan Elect, as at the time of investment:

- maximum of 35 per cent. in any one issuer of transferable securities and money market instruments issued or guaranteed by a sovereign nation, any EU public local authority, or any public international body to which one or more EU Member States belongs;
- maximum of 25 per cent. in any one issuer of bonds issued by an EU credit institution;
- maximum of 10 per cent. in any one issuer of other transferable securities and money market instruments; and
- maximum of 20 per cent. in any one Undertakings for Collective Investments in Transferable Securities (**UCITS**) fund or Undertakings for Collective Investments (**UCI**) fund (excluding the investment in JSMRF).

JPMorgan Elect does not intend to utilise borrowings to increase the funds available for investment.

In the event that JSMRF changes its investment policy, the JPMorgan Elect Directors will take appropriate action to amend the Managed Cash investment policy or will consider removing the assets of the Managed Cash portfolio from JSMRF so that JPMorgan Elect is not in breach of any applicable regulation.

Benchmark

There is no benchmark for the Managed Cash portfolio, other than to maintain the net asset value as close to 100p per share as possible.

Management Fee

No management fee is charged for the management of the Managed Cash portfolio. As at 28 February 2019 (being JPMorgan Elect's half year end), the ongoing charges for the Managed Cash Shares class were 0.02 per cent. calculated in accordance with guidance issued by the Association of Investment Companies.

Capital Structure

As at 22 May 2019 (being the latest practicable date prior to the publication of the JPMorgan Elect Prospectus), JPMorgan Elect's share capital, excluding, in each case, any shares held in treasury, comprised the following:

- 78,518,126 Managed Income Shares;
- 37,985,673 Managed Growth Shares; and
- 6,829,154 Managed Cash Shares.

In addition to the Managed Income Shares, Managed Growth Shares and Managed Cash Shares, there are also 50,000 founder shares of £1 each in issue, partly paid as to 25p each. The founder shares are non-voting and carry the right to receive a fixed dividend at the rate of 0.01 per cent. on their nominal value. However, the holders of the founder shares have waived the right to receive such dividends.

Further issues of shares

Pursuant to resolutions passed at a general meeting of JPMorgan Elect and at separate class meetings of the holders of the Managed Income Shares, the Managed Growth Shares and the Managed Cash Shares, each of which was held on 15 February 2019, the JPMorgan Elect Directors have been authorised to issue up to 55,000,000 Managed Income Shares, 8,000,000 Managed Growth Shares and 50,000,000 Managed Cash Shares on a non-pre-emptive basis pursuant to the Scheme.

In addition, shareholder resolutions were passed at JPMorgan Elect's 2018 annual general meeting disapplying pre-emption rights and granting the Board general authority to allot further Managed Income Shares, Managed Growth Shares and Managed Cash Shares representing, in each case, approximately 10 per cent. of the shares of that class in issue at 8 November 2018.

Except where authorised by JPMorgan Elect Shareholders, no Managed Income Shares, Managed Growth Shares or Managed Cash Shares will be issued at a price which is less than the NAV per JPMorgan Elect Security at the time of their issue unless they are first offered *pro rata* to JPMorgan Elect Shareholders on a pre-emptive basis.

Repurchase of shares

JPMorgan Elect Securities will only be repurchased at a price which, after repurchase costs, represents a discount to the NAV per JPMorgan Elect Security. Repurchased JPMorgan Elect Securities will be cancelled or may alternatively be held in treasury. JPMorgan Elect Securities may only be reissued from treasury at a price which, after issue costs, is not less than the NAV per JPMorgan Elect Security at the relevant time.

All repurchases will be conducted in accordance with the Listing Rules applicable from time to time and will be announced to the market on the same or by 7.00 a.m. on the following business day.

The exercise by the JPMorgan Elect Directors of the power to repurchase JPMorgan Elect Securities and the timing and structure of any such purchases is entirely discretionary and no expectation or reliance should be placed on the JPMorgan Elect Directors exercising such discretion.

A shareholder resolution was passed at JPMorgan Elect's 2018 annual general meeting granting the JPMorgan Elect Board general authority to make market purchases of Managed Income Shares, Managed Growth Shares and Managed Cash Shares up to 14.99 per cent. of the issued share capital of the relevant class at the date of that resolution, such authority to expire at the conclusion of JPMorgan Elect's annual general meeting in 2019 or on the date immediately preceding the date which is 18 months after the passing of such resolution, whichever is earlier.

Further information on JPMorgan Elect and each class of the JPMorgan Elect Securities is set in the JPMorgan Elect Prospectus.

PART VI
ADDITIONAL INFORMATION

1 Directors

The names and business address of the Directors of the Company are as follows:

C. Robin Woodbine Parish
J. Anthony Wild
Robert E. Wade
Rupert A.R. Evans
Subbrarayan B. Kumaramangalam

all of East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3PP.

2 Share Capital

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 62,813,398 Shares and no Shares were held in treasury.

3 Disclosure of interests

3.1 As at Latest Practicable Date, the interests of the Directors or their immediate families in the share capital of the Company were as follows:

Name of Director	No. of Shares (beneficial)	No. of Shares (non-beneficial)
C. Robin Woodbine Parish	5,464,035	6,972,485
J. Anthony Wild	149,998	—
Robert E. Wade	513,150	—
Rupert A.R. Evans	—	—
Subbrarayan B. Kumaramangalam	6,388,565	3,320,405

C. Robin Woodbine Parish is a trustee of several family trusts, which results in a degree of duplication in respect of some non-beneficial interests in the Shares.

3.2 None of the Directors has any interest, direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company during the current or immediately preceding financial year or during any earlier financial year and which remains in any respect outstanding or unperformed.

3.3 Insofar as is known to the Company as at the Latest Practicable Date, the following persons were interested, directly or indirectly, in 5 per cent. or more of the Company's issued share capital having unrestricted voting rights:

Name of Shareholder	% of Shares held	No. of Shares (beneficial)	No. of Shares (non-beneficial)
JM Finn Nominees Limited	28.67	—	18,011,464
Rulegale Nominees Limited	21.16	—	13,288,344
Mrs E Houston	16.71	5,994,907	4,502,838
Mrs SW Kumaramangalam	15.46	6,388,565	3,320,405
Mr G & Mrs CW Zegos	10.23	4,255,335	2,171,110
Mr W B and Mrs P Fraser	8.83	53,045	5,491,515
Nortrust Nominees Limited	5.95	—	3,740,000

Many of those listed above are trustees of several family trusts, which results in a degree of duplication in the non-beneficial interests in the shares of the Company.

4 Transfer Agreement

Provided that all the conditions to the Scheme are satisfied and the Scheme becomes effective, the Company will enter into the Transfer Agreement with the Liquidators (in their personal capacity) and JPMorgan Elect pursuant to the Scheme. The Transfer Agreement is, as at the date of this document, in a form agreed between the Company, the Liquidators and JPMorgan Elect. The Transfer Agreement provides, among other things, that the assets of the Company in the Rollover Fund are to be transferred to JPMorgan Elect in consideration for the allotment by JPMorgan Elect of JPMorgan Elect Securities to the Liquidators, as nominees for the Reclassified Shareholders entitled to them in accordance with the Scheme. Thereafter, the Liquidators will renounce the allotments of the JPMorgan Elect Securities in favour of such Reclassified Shareholders and such JPMorgan Elect Securities will be issued by JPMorgan Elect to such Reclassified Shareholders pursuant to the Scheme. The Transfer Agreement excludes any liability on the part of the Liquidators for entering into and carrying into effect the Transfer Agreement.

The Transfer Agreement will be available for inspection as stated in paragraph 7 below.

5 Taxation in the United Kingdom

The following comments relating to tax are intended as a general guide only to certain aspects of current UK law and HMRC published practice and do not constitute advice. They apply only to Shareholders who are resident in the United Kingdom (and, in the case of individuals, who are UK domiciled) and who hold their Shares beneficially as investments. They do not address certain classes of Shareholders such as dealers in securities or Shareholders who are subject to taxation in any jurisdiction other than the United Kingdom. Investors who are in any doubt as to their position are strongly recommended to consult their own professional advisers.

The JPMorgan Elect Options

- 5.1 The Company has been advised that the exchange of Shares with “A” rights, Shares with “B” rights and/or Shares with “C” rights for the relevant JPMorgan Elect Securities (the **Exchange**) constitutes a scheme of reconstruction for the purposes of the UK taxation of chargeable gains, and that the Exchange should not constitute a disposal by the Shareholders of their Shares for the purposes of UK taxation of chargeable gains to the extent that Shareholders are issued with JPMorgan Elect Securities in exchange for their Shares. The JPMorgan Elect Securities issued under the Scheme should instead be treated for the purposes of UK taxation of chargeable gains as replacing the Shares for which they have been exchanged and should be treated as acquired at the same time and for the same base cost as the exchanged Shares.
- 5.2 Any subsequent disposal of JPMorgan Elect Securities issued under the Scheme may result in the holder of those JPMorgan Elect Securities realising a chargeable gain or allowable loss for the purposes of UK capital gains tax or corporation tax, depending on the holder’s particular circumstances.
- 5.3 Clearance has been obtained from HMRC pursuant to section 138 of TCGA that HMRC is satisfied that the exchange of Shares for JPMorgan Elect Securities is for *bona fide* commercial purposes and does not form part of any scheme of arrangement whose main purpose, or one of whose main purposes, is the avoidance of capital gains tax or corporation tax, and that the chargeable gains treatment set out above should not be prevented from applying for such reasons.

The Cash Option

- 5.4 Shareholders who elect or are deemed to have elected to receive cash under the Scheme should be treated as disposing of their Shares for the purposes of UK taxation of chargeable gains and this may lead to a chargeable gain which creates a UK tax liability, depending on each Shareholder’s particular circumstances.
- 5.5 For Shareholders who are United Kingdom resident individuals, capital gains tax is payable at the flat rate of 10 per cent. for basic rate taxpayers or 20 per cent. for higher or additional rate taxpayers. No indexation allowance is available to such Shareholders but they may be

entitled to an annual exemption from tax on capital gains (for the tax year 2019/20 this is £12,000). Individual Shareholders who are temporarily non-resident in the United Kingdom may, under anti-avoidance legislation, still be liable to capital gains tax. Shareholders within the charge to United Kingdom corporation tax may be liable to corporation tax on chargeable gains on a disposal of the Shares. Indexation allowance may be available to reduce the amount of any chargeable gain (but cannot be used to create or increase an allowable loss).

Combination of Options

- 5.6 Where a Shareholder elects to receive a combination of both JPMorgan Elect Securities and cash, it will be necessary, for the purposes of UK taxation of chargeable gains, to effect an apportionment of the base cost of each Shareholder's Shares between the Shares with "A" rights, the Shares with "B" rights and/or the Shares with "C" rights (as appropriate). The portion of the base cost that is attributable to the Shares with "A" rights, the Shares with "B" rights and/or the Shares with "C" rights will then be taken into account in determining whether a chargeable gain or an allowable loss accrues to the Shareholder on the event of a disposal of the relevant JPMorgan Elect Securities. The apportionment will generally be made by reference to the respective market values of the Shares with "A" rights, the Shares with "B" rights and/or the Shares with "C" rights on the Scheme Effective Date.

Reclassification of Shares

- 5.7 The Company has been advised that the reclassification of the Shares according to Elections into four classes – one class of Shares with "A" rights to Managed Income Shares, one class of Shares with "B" rights to Managed Growth Shares, one class of Shares with "C" rights to Managed Cash Shares, and one class of Shares with "D" rights to cash – constitutes a reorganisation of share capital for the purposes of UK taxation of chargeable gains. The reclassification should not, therefore, constitute a disposal by Shareholders of their Shares for those purposes.

ISAs

- 5.8 Shareholders who hold their Shares through an ISA should either (i) elect to receive cash under the Scheme, in which case such Shareholders should be treated as disposing of their Shares for the purposes of UK taxation of chargeable gains which should not lead to a chargeable gain which creates a UK tax liability, depending on each Shareholder's particular circumstances, or (ii) undertake the Exchange (the JPMorgan Elect Securities are eligible to be held in an ISA).

The Liquidation Fund surplus

- 5.9 As provided for in paragraph 10 of Part IV (*The Scheme*) of this document, any remaining balance in the Liquidation Fund after the discharge of the Company's and the UK Subsidiaries' liabilities shall be distributed in cash to Shareholders on the Company's register of members on the Scheme Effective Date. Shareholders should be aware that to the extent that there are illiquid assets at the Scheme Effective Date, these assets are not expected to be transferred to JPMorgan Elect and will instead be transferred to the Liquidation Fund and distributed in cash to Shareholders in accordance with paragraph 10 of Part IV (*The Scheme*) of this document. Shareholders should note the statements in paragraphs 5.10 and 5.11 below which explain the expected UK tax treatment.
- 5.10 To the extent that a Shareholder has elected for JPMorgan Elect Securities in respect of his entire holding or part of his holding, the receipt of such payment from the Liquidators should not be regarded as giving rise to any disposal for the purposes of UK taxation of chargeable gains, provided that the tax base cost of his Shares is in excess of the distribution and the aggregate amount of any such payments received by the Shareholder does not exceed whichever is the greater of (i) £3,000 and (ii) 5 per cent. of the value of his Shares on the Scheme Effective Date (a **small cash amount**). Instead, the amount of any such payment will be deducted from the base cost of the JPMorgan Elect Securities issued to the Shareholder under the Scheme and should be taken into account in the determination of the extent to which a chargeable gain or allowable loss is realised on any subsequent disposal of those JPMorgan Elect Securities. To the extent that such Shareholders receive a cash payment of more than a small cash amount, Shareholders may be subject to UK taxation on the gain

arising. In calculating any such gain, the Shareholder is required to apportion the historic base cost in the Shares *pro rata* to the ratio of cash to JPM Elect Securities received. Any resulting gain is expected to be subject to UK tax in the usual way.

- 5.11 To the extent that the Shareholder has elected to receive cash, the amount of any such payment or payments from the Liquidators will be taken into account in calculating the amount of any chargeable gain or allowable loss accruing to the Shareholder, as explained above.

HMRC clearances

- 5.12 Clearance has been obtained from HMRC under section 138 of TCGA that section 136 TCGA will not be prevented from applying to the Scheme by virtue of section 137 TCGA. HMRC have also confirmed that no notice under section 698 of the Income Tax Act 2009 or section 746 of the Corporation Tax Act 2010 ought to be given in respect of the Proposals.

Stamp Duty and Stamp Duty Reserve Tax

The Company

- 5.13 It is not expected that any UK stamp duty or UK stamp duty reserve tax (**SDRT**) will be payable by the Company on the voluntary winding up.

The Shareholders

- 5.14 It is not expected that any UK stamp duty or SDRT will be payable by the Shareholders on the voluntary winding up of the Company.

The Rollover Fund

- 5.15 To the extent that the assets transferred within the Rollover Fund pursuant to the Transfer Agreement comprise shares or securities in UK companies, stamp duty or stamp duty reserve tax will be payable at the rate of 0.5 per cent of the value of such shares.
- 5.16 Similar stamp taxes may arise on the transfer of non-UK shares or securities within the Rollover Fund.
- 5.17 Any transaction taxes, stamp duty/stamp duty reserve tax payable on the transfer of assets to JPMorgan Elect shall be borne by the enlarged JPMorgan Elect including the Company's Shareholders electing to roll over, and shall not be for the account of the Company.

6 Miscellaneous

- 6.1 BDO, which is authorised and regulated in the UK by the Financial Conduct Authority, has given and not withdrawn its written consent to the inclusion of its name and references to it in this document in the form and context in which they appear.
- 6.2 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.
- 6.3 The auditors of the Company for the last three financial years to 30 June 2018 were PricewaterhouseCoopers CI LLP, who have audited the Company's accounts and have given an unqualified report in respect of the accounts for each of those years.

7 Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and at the offices of Norton Rose Fulbright LLP at 3 More London Riverside, London SE1 2AQ from the date of this document up to and including the close of business on the Scheme Effective Date:

- (a) the Articles of Incorporation of the Company (containing the full terms of the amendments proposed to be made at the Extraordinary General Meeting);
- (b) the audited report and accounts of the Company for the years ended 30 June 2016, 30 June 2017 and 30 June 2018;
- (c) the JPMorgan Elect Prospectus;

- (d) the JPMorgan Elect Articles;
- (e) letters of undertaking for the Liquidators and JPMorgan Elect to enter into the Transfer Agreement;
- (f) the Transfer Agreement, in a form agreed between the Company, the Liquidators and JPMorgan Elect as at the date of this document;
- (g) the letters of consent from BDO and the Liquidators referred to in paragraphs 6.1 and 6.2 respectively;
- (l) the Form of Election and the Form of Proxy; and
- (m) this document.

The Articles of Incorporation of the Company (containing the full terms of the amendments proposed to be made at the Extraordinary General Meeting) will be available for inspection at the Extraordinary General Meeting for at least 15 minutes prior to, and during, that meeting.

24 May 2019

NOTICE OF EXTRAORDINARY GENERAL MEETING

EL ORO LTD.

(a non-cellular registered closed-ended investment company with liability limited by shares incorporated in Guernsey with registration number 49778)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at 12 noon on 20 June 2019 at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1, 2 and 3 will be proposed as special resolutions and resolution 4 will be proposed as an extraordinary resolution:

SPECIAL RESOLUTIONS

1. **THAT:**

- 1.1 subject to paragraph 1.5 of this Resolution, each of the Shares in issue shall be reclassified as Shares the holders of which have (or are deemed to have) elected to have reclassified as Shares with “A” rights, “B” rights, “C” rights or “D” rights in such respective numbers as may be required to give effect to any Election validly made (or deemed to have been made) by the holder of the Shares and otherwise in accordance with the terms of the Scheme set out in Part IV of the circular dated 24 May 2019 to the 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 (together the **Reclassified Shares**);
- 1.2 for the purposes of this Resolution:
 - 1.2.1 to the extent that holders of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, Managed Income Shares, such Shares shall be reclassified as Shares with “A” rights;
 - 1.2.2 to the extent that holders of Shares shall have validly elected for, and under the terms of the Scheme will become entitled to receive, Managed Growth Shares, such Shares shall be reclassified as Shares with “B” rights;
 - 1.2.3 to the extent that holders of Shares shall have validly elected for, and under the terms of the Scheme will become entitled to receive, Managed Cash Shares, such Shares shall be reclassified as Shares with “C” rights;
 - 1.2.4 to the extent that holders of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option, such Shares shall be reclassified as Shares with “D” rights;
- 1.3 holders of Shares with “A” rights, “B” rights, “C” rights or “D” rights shall have the respective rights set out in the Articles of Incorporation of the Company, as amended by this Resolution;
- 1.4 the Articles of Incorporation of the Company be and are hereby amended by:
 - 1.4.1 the insertion of the following new Articles 4A and 4B:

“4A Every reference in these Articles to the Shares shall be construed as a reference to the Shares of no par value in the capital of the Company which are designated as shares with either “A” rights, “B” rights, “C” rights or “D” rights.

4B

4B.1 Words and expressions defined in the circular to shareholders of the Company dated 24 May 2019 (the **Circular**) shall bear the same meanings in this Article 4B, save where the context otherwise requires.

4B.2 In addition to any rights under article 4B.3 below, on a winding-up of the Company for the purpose of the scheme of reconstruction as described in the Circular:

- (a) the rights of holders of Shares with “A” rights in respect of the assets of the Company, notwithstanding anything to the contrary in the Articles of Incorporation, shall be satisfied by the issue to such holders of the numbers of Managed Income Shares to which they shall be respectively entitled in accordance with the Scheme;
- (b) the rights of holders of Shares with “B” rights in respect of the assets of the Company, notwithstanding anything to the contrary in the Articles of Incorporation, shall be satisfied by the issue to such holders of the numbers of Managed Growth Shares to which they shall be respectively entitled in accordance with the Scheme;
- (c) the rights of holders of Shares with “C” rights in respect of the assets of the Company, notwithstanding anything to the contrary in the Articles of Incorporation, shall be satisfied by the issue to such holders of the numbers of Managed Cash Shares to which they shall be respectively entitled in accordance with the Scheme; and
- (d) the rights of holders of Shares with “D” rights in respect of the assets of the Company, notwithstanding anything to the contrary in the Articles of Incorporation, shall be satisfied by the payment to such holders of cash in such amount as they shall be respectively entitled to in accordance with the Scheme.

4B.3 Shareholders on the Company’s register of members on the Scheme Effective Date shall be entitled to any relevant surplus remaining in the Liquidation Fund on a *pari passu* basis *pro-rata* to their respective holdings of Shares as provided in the Scheme.

4B.4 Subject to the special rights set out in Article 4B.2 above, for all other purposes of these Articles, the Shares with “A” rights, “B” rights, “C” rights and “D” rights shall continue to be Shares with the rights attaching to Shares under these Articles and the Articles of Incorporation shall be construed accordingly.”;

1.4.2 the insertion of the following new Article as Article 37A:

“37A Notwithstanding any other provisions of these Articles, following the winding-up of the Company in connection with the scheme (the **Scheme**) set out in Part IV of the circular dated 24 May 2019 to Shareholders of the Company (the **Circular**), the liquidators of the Company will upon the Scheme Effective Date give effect to the Scheme and will enter into and give effect to the transfer agreement with JPMorgan Elect plc), a draft of which was produced to the extraordinary general meeting of the Company convened for 20 June 2019 by the notice attached to the Circular, in accordance with the provisions of this Article and Article 4B, and the holders of Shares with “A” rights shall be entitled to Managed Income Shares, the holders of Shares with “B” rights shall be entitled to Managed Growth Shares, the holders of Shares with “C” rights shall be entitled to Managed Cash Shares and the holders of Shares with “D” rights shall be entitled to receive cash, in each case in accordance with the Scheme. The definitions in the Circular have the same meanings in this Article 37A, save where the context otherwise requires.”; and

1.4.3 by way of such further amendments to the Articles of Incorporation of the Company as may be required to give full effect to this Resolution;

1.5 if the Scheme does not become unconditional in accordance with its terms, the amendments to the Articles of Incorporation of the Company effected by paragraph 1.4 of this Resolution shall be further amended such that the insertions of Articles 4A, 4B and 37A shall cease to have effect from the date on which the Scheme lapses, the

reclassification of the Shares provided for by this Resolution shall be reversed and each Reclassified Share shall revert to being a Share ranking *pari passu* in all respects with the other Shares; and

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

2 **THAT**, subject to: (i) the passing of Resolution 1 above at this Meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms; and (iii) the passing of Resolutions 3 and 4 below at this Meeting (or any adjournment thereof):

2.1 notwithstanding anything to the contrary in the Articles of Incorporation of the Company, the scheme (the **Scheme**) set out in Part IV of the circular dated 24 May 2019 to Shareholders of the Company (the **Circular**), a copy of which has been produced to the Meeting and signed for the purpose of identification by the chairman thereof be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the **Liquidators**), be and are hereby authorised to implement the Scheme and to execute any document and do anything for the purpose of carrying the Scheme into effect;

2.2 in particular but without prejudice to the generality of sub-paragraph 2.1 above, the Liquidators, when appointed, be and are hereby authorised and directed, pursuant to this special resolution and/or the Articles of Incorporation of the Company, as amended by Resolution 1 above:

2.2.1 to enter into and give effect to the Transfer Agreement referred to in the Circular with JPMorgan Elect, in the form of the draft produced to the Meeting and signed for the purpose of identification by the chairman thereof with such amendments as the parties may from time to time agree;

2.2.2 to request that, in accordance with the Scheme, JPMorgan Elect issue and distribute Managed Income Shares to the holders of Shares with "A" rights to which such holders are entitled in accordance with the Scheme by way of satisfaction and discharge of their interests in as much of the property and assets of the Company as will be so transferred to JPMorgan Elect in accordance with the Scheme;

2.2.3 to request that, in accordance with the Scheme, JPMorgan Elect issue and distribute Managed Growth Shares to the holders of Shares with "B" rights to which such holders are entitled in accordance with the Scheme by way of satisfaction and discharge of their interests in as much of the property and assets of the Company as will be so transferred to JPMorgan Elect in accordance with the Scheme;

2.2.4 to request that, in accordance with the Scheme, JPMorgan Elect issue and distribute Managed Cash Shares to the holders of Shares with "C" rights to which such holders are entitled in accordance with the Scheme by way of satisfaction and discharge of their interests in as much of the property and assets of the Company as will be so transferred to JPMorgan Elect in accordance with the Scheme;

2.2.5 to arrange for the distribution among the holders of Shares with "D" rights of the amounts of cash to which such holders are entitled in accordance with the Scheme by way of satisfaction and discharge of their interests in as much of the property and assets of the Company comprising the Cash Fund;

2.2.6 pending distributions being made by the Liquidators to the persons entitled thereto, to invest the funds of the Company in such manner as they deem expedient;

2.2.7 to distribute any surplus in the Liquidation Fund in accordance with the Scheme; and

2.2.9 to apply for cancellation of the Reclassified Shares' listing on the premium segment of the Official List of The International Stock Exchange Authority and to trading on the London Stock Exchange's SETSqx trading platform with effect from such date as the Liquidators may determine.

2.3 the definitions contained in the Circular have the same meanings in this special resolution.

3. **THAT:**

- 3.1 the Company be wound up voluntarily pursuant to section 391(1)(b) of The Companies (Guernsey) Law, 2008, (the **Companies Law**) and Nick Vermeulen and Christiaan Van Den Berg of PricewaterhouseCoopers CI LLP, Royal Bank Place, 1 Gategny Esplanade, St Peter Port, Guernsey, GY1 4ND (the **Liquidators**), be and are hereby appointed liquidators of the Company with power to act jointly and severally for the purpose of such winding-up, including, subject to: (i) the passing of Resolutions 1 and 2 above at this Meeting (or at any adjournment hereof) and they becoming unconditional; and (ii) the Scheme becoming unconditional in accordance with its terms, in order to give effect to the Scheme, with all powers conferred on them by the Companies Law, the Articles of Incorporation of the Company or by this Resolution, such appointment becoming effective upon the passing of this Resolution;
- 3.2 subject to: (i) the passing of Resolutions 1 and 2 above at this Meeting (or at any adjournment hereof) and they becoming unconditional; and (ii) the Scheme becoming unconditional in accordance with its terms, the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Incorporation of the Company as amended by Resolution 1 above;
- 3.3 the Liquidators may vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the Shareholders as they may determine, but no Shareholder shall be compelled to accept any assets upon which there is a liability;
- 3.4 the remuneration of the Liquidators be fixed on the basis of time spent by them and members of their staff in attending to matters arising prior to and during the winding-up of the Company and they be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them; and
- 3.5 the books, accounts and documents of the Company be held by its secretary to the order of the Liquidators until the expiry of 2 years after the date of dissolution of the Company when they may be disposed of (save for financial and trading records, which shall be kept for a minimum of 6 years following vacation of the Liquidators from office).

EXTRAORDINARY RESOLUTION

- 4 THAT, conditional upon Resolution 3 being passed, in accordance with Article 37 of the Articles of Incorporation of the Company, if applicable, as amended by Resolution 1 above, the Liquidators be empowered to divide among the Shareholders of the Company *in specie* the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members.

Registered Office:

East Wing
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3PP

By order of the Board:

Dated: 24 May 2019

Notes:

- (i) A member entitled to attend and vote at the Extraordinary General Meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his place. A proxy need not be a member of the Company.
- (ii) To appoint a proxy you may use the Form of Proxy enclosed with this Notice of Extraordinary General Meeting. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6AH, or delivered by hand during office hours to the same address as soon as possible and in any event by 12 noon on 18 June 2019.
- (iii) Completion of the Form of Proxy will not prevent you from attending and voting in person.
- (iv) Only Shareholders registered in the register of members of the Company by not later than 6.30 p.m. two Business Days prior to the time fixed for the Extraordinary General Meeting shall be entitled to attend and vote at the Extraordinary General Meeting in respect of the number of Shares registered in their name at such time. If the Extraordinary General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote

- at the adjourned meeting is 6.30 p.m. two Business Days prior to the time of the adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the Extraordinary General Meeting (or any adjournment thereof).
- (v) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
 - (vi) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by following the procedures described in the CREST manual which can be viewed at www.euroclear.com. 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 provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (Computershare Investor Services (Guernsey) Limited) by 12 noon on 18 June 2019. 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 applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
 - (vii) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. 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 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 providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
 - (viii) As at 23 May 2019, being the last business day prior to the printing of this document, the Company's issued share capital consisted of 62,813,398 Shares carrying one vote each. Therefore, the total voting rights in the Company as at 23 May 2019 were 62,813,398.
 - (ix) The proposed new Articles of Incorporation are available for inspection at the registered office of the Company, East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3PP during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this document until the conclusion of the Extraordinary General Meeting and will be available for inspection at the place of the Extraordinary General Meeting for at least 15 minutes prior to and during the Extraordinary General Meeting.

