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Manchester and London Investment Trust Public Limited Company

(Incorporated in England and Wales under company number 01009550)

Recommended proposals to (i) grant authority to allot up to 40,000,000 new Ordinary Shares on a non pre-emptive basis; (ii) approve amendments to the Company's investment policy; and (iii) approve proposed amendments to the Articles

and

Notice of General Meeting

Notice of a general meeting of the Company to be held at 12a Princes Gate Mews, London SW7 2PS on 2 November 2020 at 12.15 p.m. or, if later, immediately after the conclusion or adjournment of the annual general meeting of the Company to be held on the same day (the "**General Meeting**") is set out at the end of this document.

Please note that as a result of the Covid-19 pandemic and associated Government guidance, including the rules on physical distancing and limitations on public gatherings, physical attendance at the General Meeting will not be possible. Arrangements will be made by the Company to ensure that a minimum number of Shareholders required to form a quorum will attend the General Meeting in order that the meeting may proceed.

All Shareholders are encouraged to vote in favour of the resolutions to be proposed at the General Meeting. It is important that you submit your proxy vote electronically. Proxies may be submitted electronically using Link Asset Services' Signal Shares share portal service at www.signalshares.com or in hard copy form if you request a hard copy form of proxy from the Company's registrar, Link Asset Services. In order to be valid, proxy appointments must be submitted using Link Asset Services' Signal Shares share portal service or in hard copy form to Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in each case, by no later than 12.15 p.m. on 31 October 2020 or 48 hours before any adjourned meeting. If shares are not held directly Shareholders are encouraged to arrange for their nominee to vote on their behalf and appoint a proxy via the CREST system. **Given Shareholders will not be able to attend the General Meeting in person, Shareholders are strongly encouraged to vote electronically and to appoint the Chairman of the General Meeting as their proxy to vote on their behalf.**

2 October 2020

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PART 1 – LETTER FROM THE CHAIRMAN

Manchester and London Investment Trust Public Limited Company

(Incorporated in England and Wales under company number 01009550)

Directors:

David Harris (*Chairman*)

Brett Miller

Sir James Waterlow

Daniel Wright

Registered Office:

12a Princes Gate Mews

London

SW7 2PS

2 October 2020

Dear Shareholder,

Notice of General Meeting and recommended proposals to (i) grant authority to allot up to 40,000,000 new Ordinary Shares on a non pre-emptive basis; (ii) approve amendments to the Company's investment policy; and (iii) approve proposed amendments to the Articles

Introduction and background

Over the last two years, there has been sustained demand for the Ordinary Shares. Since 1 September 2018, the Company has issued 12,926,253 Ordinary Shares and the free float of the Company has increased by 6,149,298 Ordinary Shares (approximately 53.9 per cent. of the issued share capital as at 1 September 2018). In addition, the market capitalisation of the Company has increased from approximately £127.3 million on 1 September 2018 to approximately £236.4 million as at the Latest Practicable Date.

The Board believes that the Company's continued ability to issue Ordinary Shares at, or at a small premium to, net asset value benefits Shareholders as a whole as it increases liquidity in the Ordinary Shares, spreads the fixed costs of the Company over a larger asset base and reduces volatility by preventing the build up of excessive demand for the Ordinary Shares.

The Prospectus Regulation Rules provide that where a company wishes to apply for the admission to trading on a regulated market of shares representing, over a period of 12 months, 20 per cent. or more of that company's shares which are already admitted to trading on that regulated market, the company concerned is required to issue a prospectus. In the twelve months preceding the Latest Practicable Date, the Company has issued 7,226,735 Ordinary Shares and is close to reaching the 20 per cent. limit.

In light of the benefits set out above, the Directors believe it will be advantageous for the Company to have the ability to continue to meet demand for its Ordinary Shares and as such, the Directors intend to publish a prospectus (the "**Prospectus**") in due course to ensure the Company has the flexibility to continue to issue Ordinary Shares where it is in the best interests of Shareholders to do so. It is intended that placings may be carried out over the 12 month life of the Prospectus.

The Directors wish to seek Shareholder approval for the issue of up to 40,000,000 Ordinary Shares on a non pre-emptive basis. The Directors would also like to take this opportunity to approve certain amendments to the Company's investment objective and policy and to approve certain modernising amendments to the Articles.

The purpose of this document is therefore to explain the background to, and the reasons for, the Proposals and to convene a General Meeting at which the appropriate Shareholder authority in relation to the approval of the Proposals will be sought. The General Meeting will be held at 12a Princes Gate Mews, London SW7 2PS on 2 November 2020 at 12.15 p.m. or, if later, immediately after the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and the formal notice convening the General Meeting is set out at the end of this document.

The Resolutions that will be put to Shareholders at the General Meeting are to:

1. approve the adoption of the amended investment policy set out in Part 2 of this document (“**Resolution 1**”);
2. authorise the allotment of up to 40,000,000 new Ordinary Shares (“**Resolution 2**”);
3. dis-apply statutory pre-emption rights otherwise applicable to the allotment of new Ordinary Shares pursuant to Resolution 2 such that new Ordinary Shares do not first have to be offered to Shareholders in proportion to their holdings of Ordinary Shares (“**Resolution 3**”); and
4. approve the amendment of the Articles of Association (“**Resolution 4**”).

Share issuance authority

As stated above, the Company has seen continued demand for its Ordinary Shares over the past two years and demand has persisted notwithstanding the disruption to financial markets caused by the Covid-19 pandemic. As further stated above, the Company anticipates that given demand for the Ordinary Shares, the Company is likely to exceed the rolling twelve months’ 20 per cent. limit on applications for admission to trading as stipulated in the Prospectus Regulation Rules. Accordingly, the Company intends, following the General Meeting, to publish a prospectus to allow it to continue to issue new Ordinary Shares.

The Prospectus will be in force for a period of twelve months and it is expected that placings will be carried out over that 12 month period. The Company has ambitions to grow and therefore the number of new Ordinary Shares available for issue under the Prospectus is expected to be set at 40,000,000 Ordinary Shares (although there is no certainty as to how many new Ordinary Shares will be issued under the Prospectus). The Prospectus will be available on the Company’s website and an announcement will be made if and when the document is published, which is expected to be in Q4 2020.

If the requested authorities are granted by Shareholders at the General Meeting, the Directors intend to use the authority to issue new Ordinary Shares on a non pre-emptive basis only: (i) at, or at a premium to, the prevailing net asset value per Ordinary Share at the time of issue; (ii) to meet demand from investors; and (iii) when the Directors believe that it is in the best interests of the Company and its Shareholders to do so.

Any issue of new Ordinary Shares pursuant to these authorities is expected to be neutral to the net asset value per Ordinary Share before any costs of the relevant issue. Whilst Shareholders’ voting rights may be diluted, the Directors believe that this consideration is outweighed by the cost efficiencies and liquidity that a larger capital and wider Shareholder base provides.

The net proceeds of any new Ordinary Shares issued will be invested by the Manager in accordance with the Company’s published investment policy.

Authority for the issue of new Ordinary Shares on a non pre-emptive basis

Resolution 2, if passed, will give the Directors the authority (in addition to any existing authority) to allot up to 40,000,000 new Ordinary Shares (representing 107 per cent. of the issued share capital (excluding treasury shares) of the Company as at the date of this document) up until 31 December 2021.

In order for the Directors to issue new Ordinary Shares for cash under the proposed placings, free of statutory pre-emption rights, such pre-emption rights must be dis-applied. Shareholders are therefore being asked to approve, by way of special resolution at the General Meeting, the disapplication of statutory pre-emption rights in respect of the issue of up to 40,000,000 new Ordinary Shares (representing 107 per cent. of the issued share capital of the Company as at the date of this document). This Resolution 3 will become effective only if Resolution 2 is also passed.

Accordingly, if both Resolutions 2 and 3 are passed, the Directors will be authorised to issue up to a maximum of 40,000,000 new Ordinary Shares for cash on a non-pre-emptive basis. The authorities conferred by Resolutions 2 and 3, if passed, will expire (unless previously revoked, varied or renewed by the Company in general meeting) on 31 December 2021.

Proposed amendment of the Company's investment policy

The Board would also like to take this opportunity to make certain amendments to the Company's investment policy. The Company's current investment objective and policy is to provide Shareholders with capital appreciation and a reasonable level of income through investment in a diversified portfolio of UK and overseas equities, fixed interest securities and derivative instruments. In the current economic environment, the objective of providing Shareholders with a reasonable level of income has become increasingly difficult to achieve without comprising the capital base of the Company. Accordingly, the Company is proposing to amend its investment objective to provide Shareholders with only capital appreciation.

In conjunction with the amended investment objective, the Company is proposing a number of changes to its investment policy in order to: (i) better reflect the future investment strategy of the Manager to achieve the revised investment objective; and (ii) enhance the diversification requirements for the portfolio in the current environment and beyond.

The material changes proposed to the investment policy are as follows:

- (a) At present, the investment policy permits the Company to invest in the equities or securities of companies that are not admitted to trading on a regulated market. The Company is introducing a limit of 10 per cent. of its gross assets (at the time of investment) on such investments. In addition, the Company is proposing to amend the wording across its investment policy to refer to shares in companies that are listed, quoted or admitted to trading rather than just those shares that are admitted to trading on a regulated market. The Board believes that some investors may understand "regulated market" to refer only to certain European markets which does not correctly reflect the Company's policy of investing in a portfolio of global equities and/or fixed interest securities.
- (b) The wording in the investment policy is being amended to reflect that the portfolio is moving from a relatively focused one to a more diversified portfolio with an associated range for the number of investments in the portfolio moving from 20 to 40 holdings to between approximately 20 to 100 holdings.
- (c) The investment policy contains a restriction on the level of investment in any one single holding of 15 per cent. of gross assets at the time of investment. The Company is proposing to increase this limit to 20 per cent. of gross assets at the time of investment.
- (d) In conjunction with the increase described in (c) above, the Company is proposing a new aggregate limit on investment in its top five holdings (by value) of 75 per cent. of gross assets at the time of investment.
- (e) In line with the requirements of the Listing Rules, the Company is introducing a limit on investment in other listed closed-ended investment funds of 15 per cent. of total assets.
- (f) The Company is proposing an amendment to the Articles (see further below) to change the borrowing limit from two times the adjusted total of capital and reserves to two times net asset value as shown on the Company's latest audited balance sheet. The gearing policy (which forms part of the Company's investment policy) is being amended in line with that proposed change to the Articles. In addition, as pursuant to the Listing Rules a material change may be made to the Company's investment policy (including its gearing policy) by way of an ordinary resolution (and not a special resolution) the wording in both the Articles and the investment policy is being amended to reflect that an ordinary resolution will suffice.

The proposed amendments to the Company's existing investment objective and policy are set out in full in Part 2 of this document. Resolution 1, which will be proposed as an ordinary resolution, seeks Shareholder approval to adopt the proposed new investment policy set out in Part 2 of this document.

Adoption of new articles of association

Resolution 4, which will be proposed as a special resolution, seeks Shareholder approval to adopt new Articles of Association (the '**New Articles**') in order to update the Company's current Articles of Association. The proposed amendments being introduced in the New Articles primarily relate to changes in law and regulation and developments in market practice, and principally include:

- (i) provisions enabling the Company to hold virtual and/or hybrid Shareholder meetings using electronic means (as well as physical Shareholder meetings);

- (ii) amendments to reflect certain requirements under the AIFM Legislation and related rules and regulations;
- (iii) amendments to the provisions relating to the limit on borrowings by the Company;
- (iv) increasing the aggregate amount of fees that may be paid to the Directors for their services as directors of the Company to £500,000 per annum; and
- (v) certain other minor or technical amendments that are intended to provide increased flexibility for the Company as technology and payment practices evolve and to relieve certain administrative burdens on the Company.

A summary of the principal amendments being introduced in the New Articles is set out in Part 3 of this document.

Considerations relating to the Proposals

Shareholders should have regard to the following when considering the Proposals:

- If 40,000,000 new Ordinary Shares are issued (being the maximum number of new Ordinary Shares that the Directors will be authorised to issue if Resolution 2 and Resolution 3 are passed) there would be a dilution of approximately 52 per cent. in an existing Shareholders' voting control of the Company (as at the date of this document) assuming that such Shareholder does not participate in any of the issues or otherwise acquire additional Ordinary Shares.
- Any new Ordinary Shares issued will rank *pari passu* with the Ordinary Shares then in issue. However, such new Ordinary Shares will have no right to receive dividends or other distributions made, paid or declared, if any, by reference to a record date prior to the allotment of those new Ordinary Shares.
- There is no certainty that any issue of new Ordinary Shares will result in an increase in the liquidity of the Ordinary Shares.
- The Company's existing investment objective is to achieve capital appreciation and a reasonable level of income, whereas the new investment objective is to provide only capital appreciation. Whilst the Company must not retain more than 15 per cent. of its income in respect of each accounting period in order to preserve its investment trust status, providing Shareholders with a reasonable level of income will no longer form part of the investment objective of the Company if the Proposals are approved.
- The Company may not achieve or be able to implement its proposed new investment objective and policy. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

General Meeting

The Proposals are conditional on the approval by Shareholders of the Resolutions. You will find set out at the end of this document a notice convening the General Meeting at which Shareholders will be asked to consider and, if thought fit, approve the Resolutions. The General Meeting is to be held at 12a Princes Gate Mews, London, SW7 2PS, United Kingdom on 2 November 2020 at 12.15 p.m. or, if later, immediately after the conclusion or adjournment of the annual general meeting of the Company to be held on the same day.

Resolution 1, which will be proposed as an ordinary resolution and which is conditional on the passing of Resolution 4, seeks authority to adopt the amended investment policy set out in Part 2 of this document.

Resolution 2, which will be proposed as an ordinary resolution, will, if passed, give the Directors the authority to allot up to 40,000,000 new Ordinary Shares.

Resolution 3, which will be proposed as a special resolution and which is conditional on the passing of Resolution 2, will grant the Directors authority to allot up to 40,000,000 new Ordinary Shares on a non pre-emptive basis.

Resolution 4, which will be proposed as a special resolution and which is conditional on the passing of Resolution 1, seeks authority to adopt the New Articles.

An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed. A special resolution requires a majority of at least 75 per cent. of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed.

Action to be taken in respect of the General Meeting

At the time of publication of this Notice of General Meeting, the continuing Covid-19 pandemic has led to the imposition of restrictions on public gatherings by the UK Government. In the light of these measures, and as our priority is the health, safety and wellbeing of all our stakeholders, the Company therefore wishes to notify its Shareholders that physical attendance in person at the General Meeting will not be possible. The meeting will take place with the minimum necessary quorum of two Shareholders, which will be facilitated by the Company in line with the Government's social distancing advice. The Board recognises the importance of Shareholder engagement and given the current restrictions on attendance, is keen to ensure that you are able to exercise your right to participate in the meeting by voting. **The Board encourages Shareholders to vote electronically and to appoint the Chairman of the meeting as their proxy with their voting instructions.**

In addition, the Board recognises that the General Meeting represents an important forum for Shareholders to ask questions. Since Shareholders will be unable to attend, the Board invites Shareholders to submit any questions they may have by email to ir@mlcapman.com. If you would like to attend the General Meeting virtually please email your details to ir@mlcapman.com with proof that you are a Shareholder but please note the virtual meeting will be held on a reasonable endeavours basis in mute sound mode so all proxy votes and questions must be submitted prior to the meeting as described herein.

You are encouraged to appoint a proxy online via www.signalshares.com. Alternatively, if you hold your Ordinary Shares in CREST, you may appoint a proxy via the CREST system. Notice of your appointment of a proxy should reach the Company's Registrar, Link Asset Services by 12.15 p.m. on 31 October 2020. If you hold your Ordinary Shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy and encourage them to vote electronically without delay.

If you need help with voting online at www.signalshares.com, or require a paper proxy form, please contact our Registrar, Link Asset Services by email at enquiries@linkgroup.co.uk, or you may call Link on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

Recommendation

The Board considers that the Proposals described in this document are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. The Directors intend to vote in favour of the Resolutions in respect of their holdings of Ordinary Shares, amounting to 61,592 Ordinary Shares in aggregate (representing approximately 0.17 per cent. of the issued share capital of the Company as at the date of this document).

Yours faithfully

David Harris
Chairman

PART 2 – AMENDMENTS TO THE COMPANY’S INVESTMENT POLICY

The full text of the current investment objective and policy is set out below. If Resolution 1 is passed at the General Meeting, the Company’s new investment objective and policy will be as set out below.

Current investment objective and policy New investment objective and policy

Current investment objective and policy

Investment objective

The investment objective of the Company is to achieve capital appreciation together with a reasonable level of income.

Investment policy

Asset allocation

The Company’s investment objective is sought to be achieved through a policy of actively investing in a diversified portfolio, comprising UK and overseas equities and fixed interest securities. The Company seeks to invest in companies whose shares are admitted to trading on a regulated market. However, it may invest in a small number of equities and fixed interest securities of companies whose capital is not admitted to trading on a regulated market. Investment in overseas equities is utilised by the Company to increase the risk diversification of the Company’s portfolio and to reduce dependence on the UK economy in addressing the growth and income elements of the Company’s investment objective.

The Company may invest in derivatives, money market instruments, currency instruments, contracts for differences (“CFDs”), futures, forwards and options for the purposes of (i) holding investments and (ii) hedging positions against movements in, for example, equity markets, currencies and interest rates.

There are no maximum exposure limits to any one particular classification of equity or fixed interest security. The Company’s investments are not limited to any one industry sector and its current investment portfolio is spread across a range of sectors. The Company has no specific criteria regarding market capitalisation or credit ratings in respect of investee companies.

New investment objective and policy

Investment objective

The investment objective of the Company is to achieve capital appreciation.

Investment policy

Asset allocation

The Company’s investment objective is sought to be achieved through a policy of actively investing in a diversified portfolio, comprising any of global equities and/or fixed interest securities and/or derivatives.

The Company may invest in derivatives, money market instruments, currency instruments, contracts for differences (“CFDs”), futures, forwards and options for the purposes of (i) holding investments and (ii) hedging positions against movements in, for example, equity markets, currencies and interest rates.

The Company seeks investment exposure to companies whose shares are listed, quoted or admitted to trading. However, it may invest up to 10% of gross assets (at the time of investment) in the equities and/or fixed interest securities of companies whose shares are not listed, quoted or admitted to trading.

Risk diversification

The Company intends to maintain a relatively focused portfolio, seeking capital growth by investing in approximately 20 to 40 securities. The Company will not invest more than 15% of the gross assets of the Company at the time of investment in any one security. However, the Company may invest up to 50% of the gross assets of the Company at the time of investment in an investment company subsidiary, subject always to other restrictions set out in this investment policy and the Listing Rules.

The Company intends to be fully invested whenever possible. However, during periods in which changes in economic conditions or other factors so warrant, the Manager may reduce the Company's exposure to one or more asset classes and increase the Company's position in cash and/or money market instruments.

Gearing

The Company may borrow to gear the Company's returns when the Manager believes it is in Shareholders' interests to do so. The Company's investment policy and the Articles permit the Company to incur borrowing up to a sum equal to two times the adjusted total of capital and reserves. Any change to the Company's borrowing policy will only be made with the approval of Shareholders by special resolution.

The effect of gearing may be achieved without borrowing by investing in a range of different types of investments including derivatives. The Company will not enter into any investments which have the effect of increasing the Company's net gearing beyond the above limit.

Risk diversification

The Company intends to maintain a diversified portfolio and it is expected that the portfolio will have between approximately 20 to 100 holdings. No single holding will represent more than 20% of gross assets at the time of investment. In addition, the Company's five largest holdings (by value) will not exceed (at the time of investment) more than 75% of gross assets.

Although there are no restrictions on the constituents of the Company's portfolio by geography, industry sector or asset class, it is intended that the Company will hold investments across a number of geographies and industry sectors. During periods in which changes in economic, political or market conditions or other factors so warrant, the Manager may reduce the Company's exposure to one or more asset classes and increase the Company's position in cash and/or money market instruments.

The Company will not invest more than 15% of its total assets in other listed closed-ended investment funds. However, the Company may invest up to 50% of gross assets (at the time of investment) in an investment company subsidiary, subject always to the other restrictions set out in this investment policy and the Listing Rules.

Gearing

The Company may borrow to gear the Company's returns when the Manager believes it is in Shareholders' interests to do so. The Company's Articles of Association ("**Articles**") restrict the level of borrowings that the Company may incur up to a sum equal to two times the net asset value of the Company as shown by the then latest audited balance sheet of the Company.

The effect of gearing may be achieved without borrowing by investing in a range of different types of investments including derivatives. Save with the approval of Shareholders, the Company will not enter into any investments which have the effect of increasing the Company's net gearing beyond the limit on borrowings stated in the Articles.

General

In addition to the above, the Company will observe the investment restrictions imposed from time to time by the Listing Rules which are applicable to investment companies with shares listed on the Official List of the United Kingdom Listing Authority (“**UKLA**”) under Chapter 15.

In line with the Listing Rules, the Company will manage and invest its assets in accordance with the Company’s investment policy. Any material changes in the principal investment policies and restrictions (as set out above) of the Company will only be made with the approval of Shareholders by ordinary resolution.

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Board and the Manager by an announcement issued through a regulatory information service approved by the FCA.

General

In addition to the above, the Company will observe the investment restrictions imposed from time to time by the Listing Rules which are applicable to investment companies with shares listed on the Official List of the Financial Conduct Authority (“**FCA**”).

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Board and the Manager by an announcement issued through a regulatory information service approved by the FCA.

PART 3 – AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Set out below is a summary of the principal amendments which will be made to the Articles through the adoption of the New Articles if Resolution 4 to be proposed at the General Meeting is approved by Shareholders.

This summary is intended only to highlight the principal amendments which are likely to be of interest to Shareholders. It is not intended to be exhaustive and should not be relied upon to identify all amendments or issues which may be of interest to all Shareholders. This summary is not a substitute for reviewing the full terms of the New Articles which will be available for inspection on the Company’s website, [www. https://mlcapman.com/manchester-london-investment-trust-plc/](https://mlcapman.com/manchester-london-investment-trust-plc/), and at the offices of the Manager at 12a Princes Gate Mews, London, SW7 2PS, United Kingdom between the hours of 9.00am and 5.00pm (Saturdays, Sundays and public holidays excepted), from the date of the Notice of General Meeting until the close of the General Meeting, and will also be available for inspection at the venue of the General Meeting from 15 minutes before and during the General Meeting. Inspection of this document may only take place in accordance with measures imposed in connection with the Covid-19 pandemic. You are reminded that anyone seeking to attend the General Meeting in person (other than those forming the quorum) will be refused entry.

Hybrid/virtual-only shareholder meetings

The New Articles permit the Company to hold Shareholder meetings on a virtual basis, whereby Shareholders are not required to attend the meeting in person at a physical location but may instead attend and participate using electronic means. A Shareholder meeting may be virtual-only if attendees participate only by way of electronic means, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using electronic means. This should make it easier for Shareholders to attend general meetings if the Board elects to conduct meetings using electronic means. Amendments have been made throughout the New Articles to facilitate the holding of hybrid or virtual-only Shareholder meetings.

The Alternative Investment Fund Managers Directive (2011/61/EU) and the Alternative Investment Fund Managers Regulations 2013 (the “AIFM Legislation”)

The Board is proposing to make amendments to the Articles in the light of certain requirements under the AIFM Legislation and related rules and regulations. The proposed amendments provide for (i) the net asset value per share of the Company to be calculated at least annually and disclosed to Shareholders; (ii) the valuation of the Company’s assets to be performed in accordance with prevailing accounting standards; and (iii) the Company to allow a depositary appointed to safe-keep the Company’s assets to avail of a contractual discharge of liability for any loss of such assets provided that all other conditions for such discharge have been met. These amendments will have no bearing on the Company’s current practices and simply articulate requirements of, or permissions under, the AIFM Legislation.

Limit on borrowings by the Company

The Articles impose a limit on the aggregate amount that may be borrowed by the Company at any time. The Board is proposing to amend that limit to be an amount equal to two times the net assets of the Company as shown by the latest audited balance sheet of the Company from time to time in line with the amendments proposed to the Company’s investment policy.

Limit on Directors’ fees

The Articles impose a limit on the aggregate amount of fees that may be paid to the Directors in each year for their services as directors of the Company. The Board is proposing to amend that limit to be £500,000 per annum or such larger amount as Shareholders may subsequently approve by ordinary resolution from time to time.

Minor amendments

The Board is also taking the opportunity to make some additional minor or technical amendments to the Articles, including (but not limited to):

- (i) clarifying how Shares in uncertificated form may be dealt with, always in accordance with the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) and the procedures and requirements of the relevant electronic system through which they are held;
- (ii) clarifying that the consideration (if any) received by the Company upon the sale of any Share which is forfeited by a Shareholder pursuant to the Articles will belong to the Company;
- (iii) in addition to permitting Shareholder meetings to be conducted using electronic means, the New Articles also permit Shareholder meetings to be held at two (or more) physical locations using adequate facilities to communicate between the locations;
- (iv) the New Articles provide the Directors with the ability to postpone a Shareholder meeting where the Board considers that it is impractical or unreasonable for any reason to hold the meeting on the date or at the time, place or by the method specified in the notice calling the meeting;
- (v) the New Articles provide the Directors with the ability to require additional security or safety measures to be put in place at Shareholder meetings;
- (vi) the New Articles clarify that the Company's capital reserve may be used for any of the purposes to which sums standing to any capital reserve may be applied;
- (vii) the New Articles provide flexibility to allow the Company to pay dividends through direct debit transfers or any other transfer by any electronic media, as well as by way of cheques, warrants or money orders, as the Board may in its absolute discretion think fit and clarify the Company's ability to retain sums that are payable and unclaimed for 12 months from the date they became payable;
- (viii) clarifying that mere clerical amendments to resolutions to correct patent errors may be made without Board approval or written notice of the amendments being lodged at the Company's registered office 48 hours' prior to the time of the meeting at which the resolutions will be considered;
- (ix) the New Articles clarify that dividends may be declared or paid in any currency and that where any currency conversion is required the Board may decide the basis of such conversion; and
- (x) the New Articles clarify that, as permitted by the Act, the Company may send or supply a copy of its strategic report with supplementary material to Shareholders instead of sending or supplying copies of the Company's full annual reports and accounts.

These changes are intended to provide increased flexibility for the Company as technology and payment practices evolve and to relieve certain administrative burdens on the Company.

PART 4 – DEFINITIONS

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

“Act”	the Companies Act 2006, as amended from time to time
“AIFM Legislation”	The Alternative Investment Fund Managers Directive (2011/61/EU) and the Alternative Investment Fund Managers Regulations 2013
“Articles” or “Articles of Association”	the articles of association of the Company
“Board” or “Directors”	the Board of Directors of the Company
“Circular”	this document
“Company”	Manchester and London Investment Trust Public Limited Company
“CREST”	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
“Directors” or “Board”	the board of directors of the Company
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules as set out in the FCA’s handbook of rules and guidance, as amended
“Euroclear”	Euroclear UK & Ireland Limited
“FCA”	the UK Financial Conduct Authority
“FSMA”	the Financial Services and Markets Act 2000 as amended or re-enacted from time to time
“General Meeting”	the general meeting of the Company to be held at 12a Princes Gate Mews, London, SW7 2PS on 2 November 2020 at 12.15 p.m. or, if later, immediately after the conclusion or adjournment of the annual general meeting of the Company to be held on the same day for the purpose of approving the Resolutions
“Latest Practicable Date”	1 October 2020, being the latest practicable date prior to the date of this document for ascertaining certain information contained herein
“Listing Rules”	the listing rules made by the FCA under section 73A of FSMA
“London Stock Exchange”	London Stock Exchange plc
“Manager”	M&L Capital Management Limited
“New Articles”	the proposed new articles of association of the Company that the Directors propose Shareholders approve by voting in favour of Resolution 4
“Official List”	the official list maintained by the FCA

“Ordinary Shares” or “Shares”	ordinary shares of nominal value 25 pence each in the capital of the Company
“Proposals”	the recommended proposals to: (i) obtain Shareholder authority to allot up to 40,000,000 new Ordinary Shares on a non pre-emptive basis; (ii) approve amendments to the Company’s existing investment objective and policy; and (iii) approve proposed amendments to the Articles of Association
“Prospectus”	the prospectus to be published by the Company in due course
“Prospectus Regulation Rules”	the rules made for the purposes of Part VI of the FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market
“Register of Members”	the register of members of the Company
“Resolution 1”	the ordinary resolution to be proposed at the General Meeting to approve the adoption of the amended investment policy set out in Part 2 of this document
“Resolution 2”	the ordinary resolution to be proposed at the General Meeting to grant the Directors authority to allot up to 40,000,000 new Ordinary Shares
“Resolution 3”	the special resolution to be proposed at the General Meeting to dis-apply statutory pre-emption rights otherwise applicable to the allotment of up to 40,000,000 new Ordinary Shares
“Resolution 4”	the special resolution to be proposed at the General Meeting to approve the adoption of new articles of association of the Company
“Resolutions”	the resolutions to be proposed at the General Meeting in connection with the Proposals
“Shareholder”	a holder of Ordinary Shares
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland

NOTICE OF GENERAL MEETING

Manchester and London Investment Trust Public Limited Company

(Incorporated in England and Wales under company number 01009550)

Notice is hereby given that a general meeting of Manchester and London Investment Trust Public Limited Company (the “**Company**”) will be held at 12a Princes Gate Mews, London, SW7 2PS, United Kingdom on 2 November 2020 at 12.15 p.m. or, if later, immediately after the conclusion or adjournment of the annual general meeting of the Company to be held on the same day, to consider and, if thought fit, approve the following resolutions, in the case of Resolutions 1 and 2, as ordinary resolutions and in the case of Resolutions 3 and 4 as special resolutions:

ORDINARY RESOLUTIONS

1. **THAT**, subject to the passing of Resolution 4 below, the proposed investment policy set out in Part 2 of the circular to shareholders of the Company dated 2 October 2020 (the “**Circular**”), a copy of which has been produced to the meeting and signed by the chairman for the purposes of identification, be and is hereby adopted as the investment policy of the Company to the exclusion of the existing investment policy of the Company.
2. **THAT** the directors of the Company (the “**Directors**”) be and are hereby generally and unconditionally authorised, in addition to any existing authorities, pursuant to and in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot Ordinary Shares, up to an aggregate nominal amount of £10,000,000, provided that such authority will expire (unless previously revoked, varied or renewed by the Company in general meeting) on 31 December 2021 and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Board may allot Ordinary Shares pursuant to such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

3. **THAT**, subject to the passing of Resolution 2 above and in addition to any existing authorities, the Directors be and are hereby empowered, pursuant to sections 570 to 573 of the Act, to allot Ordinary Shares for cash pursuant to the authority referred to in Resolution 2 above and to sell Ordinary Shares from treasury for cash as if section 561 of the Act did not apply to any such allotment or sale provided that this authority: (i) shall be limited to the allotment of Ordinary Shares and the sale of Ordinary Shares from treasury for cash up to an aggregate nominal amount of £10,000,000; and (ii) shall expire on 31 December 2021, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might require Ordinary Shares to be allotted or sold from treasury after such expiry and the Board may allot Ordinary Shares or sell Ordinary Shares from treasury pursuant to such offer or agreement as if the authority conferred hereby had not expired.
4. **THAT**, subject to the passing of Resolution 1 above, the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association with effect from the conclusion of the meeting.

Save where the context requires otherwise, the definitions contained in the Circular shall have the same meanings where used in these Resolutions.

By Order of the Board

Registered Office:
12a Princes Gate Mews
London
SW7 2PS

Dated 2 October 2020

The following notes explain your general rights as a Shareholder and your right to vote by proxy at this General Meeting.

1. To be entitled to vote by proxy at the General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the Register of Members of the Company at close of business on 31 October 2020 (or, in the event of any adjournment, 48 hours before the time fixed for the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the meeting. The Board has resolved that all voting will be carried out by a poll.
2. Members are entitled to appoint a proxy to exercise all or part of their rights to vote on their behalf at the General Meeting. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company, however, given current circumstances, **only the Chairman of the meeting should be appointed as your proxy**. If another individual is appointed, they will be refused entry to the General Meeting and will be unable to represent you and your vote.
3. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
4. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
5. The statement of the rights of Shareholders in relation to the appointment of proxies in these notes does not apply to Nominated Persons. These rights can only be exercised by Shareholders of the Company.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
7. To be effective, the proxy vote must be submitted at **www.signalshares.com** so as to have been received by the Company's registrars not less than 48 hours before the time appointed for the meeting or any adjournment of it. Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
8. If you need help with voting online at **www.signalshares.com**, or require a paper proxy form, please contact our Registrar, Link Asset Services by email at enquiries@linkgroup.co.uk, or you may call Link on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.
9. The General Meeting will be run as a closed meeting and neither Shareholders, or named proxies, (other than those Shareholders required to form the quorum for the General Meeting) will be able to attend in person.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/en.html>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuers' agent (ID:RA10) 48 hours before the time appointed for the meeting or any adjournment of it. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuers agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers in relation to the same shares. Shareholders should note, however, that any corporate representative that attends the General Meeting in person will be refused entry (other than any representative required to form the quorum for the General Meeting) and any corporations which are members are therefore **advised to instead appoint the Chairman of the meeting as their proxy using the process described above**.

14. As at 1 October 2020 (being the last practicable business day prior to the publication of this Notice), the Company's total number of voting rights amounted to 36,135,738, comprising 36,135,738 ordinary shares carrying one vote each. No shares are held in treasury.
15. Since the General Meeting will be run as a closed meeting and neither Shareholders, or named proxies (other than those Shareholders required to form the quorum for the General Meeting), will be able to attend in person, should you have any questions regarding the business of the meeting, please email the Board on ir@mlcapman.com.
16. If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from shareholders over which he is given discretion and any voting rights in respect of his own shares) is such that he will have a notifiable obligation under the Disclosure Guidance and Transparency Rules of the FCA, the Chairman will make the necessary notifications to the Company and to the UK Financial Conduct Authority. Therefore, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and to the UK Financial Conduct Authority. However, any member holding 3 per cent. or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules. Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act have been sent this Notice of General Meeting and are hereby informed, in accordance with Section 149(2) of the Act, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this Meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
17. A copy of the proposed new articles of association of the Company, together with a copy showing all of the proposed changes to the existing articles of association, will be available for inspection on the Company's website, www.mlcapman.com/manchester-london-investment-trust-plc/, and at 12a Princes Gate Mews, London, SW7 2PS between the hours of 9.00am and 5.00pm (Saturdays, Sundays and public holidays excepted), from the date of the Notice of General Meeting until the close of the General Meeting, and will also be available for inspection at the venue of the General Meeting from 15 minutes before and during the General Meeting. Inspection of this document may only take place in accordance with measures imposed in connection with the Covid-19 pandemic. You are reminded that anyone seeking to attend the General Meeting in person (other than those forming the quorum) will be refused entry.
18. A copy of this Notice, and other information required by Section 311A of the Act, can be found on the Company's website at www.mlcapman.com/manchester-london-investment-trust-plc/

