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This document comprises a prospectus (the “Prospectus”) relating to Manchester and London Investment Trust Public Limited Company (the “Company”) and has been approved by the Financial Conduct Authority (the “FCA”), as competent authority under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the company that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares. This document will be made available to the public in accordance with the Prospectus Regulation Rules by being made available at www.mlcapman.com/manchester-london-investment-trust-plc.

The Directors of the Company, whose names appear on page 22 of this document, and the Company each accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

MANCHESTER AND LONDON INVESTMENT TRUST PUBLIC LIMITED COMPANY

(Incorporated in England and Wales with registered number 01009550)

(Registered as an investment company under section 833 of the Companies Act 2006)

Issue of New Shares pursuant to a Share Issuance Programme

Applications will be made to the FCA for the New Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the premium segment of the Main Market. It is expected that such admissions will become effective, and dealings in the New Shares will commence, during the period from 24 November 2020 to 18 November 2021.

Dickson Minto W.S., which is authorised and regulated in the United Kingdom by the FCA, is acting as the sponsor to the Company in connection with the Issues. Dickson Minto W.S. is not acting for any other person in connection with the Issues. Apart from the responsibilities and liabilities, if any, which may be imposed on Dickson Minto W.S. by the Financial Services and Markets Act 2000 or the regulatory regime established thereunder, Dickson Minto W.S. will not be responsible to anyone other than the Company for providing the protections afforded to clients of Dickson Minto W.S. and is not advising any other person in relation to any matter or transaction contemplated in or by this document.

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other suitably qualified and independent financial adviser authorised under the Financial Services and Markets Act 2000 if they are in the United Kingdom or, in the case of Overseas Investors, another appropriately authorised independent financial adviser. **Potential investors should also consider the risk factors relating to the Company set out on pages 10 to 14 of this Prospectus.**

The distribution of this Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Manager or the Sponsor that would permit an offer of the Ordinary Shares or possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession

this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Ordinary Shares described in this Prospectus have not been, and will not be, registered under the relevant securities laws of any EEA State (other than any EEA State, including the United Kingdom, where the Ordinary Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions. Accordingly, the Ordinary Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into any EEA State (other than any EEA State, including the United Kingdom, where the Ordinary Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions.

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold solely (i) outside the United States to persons who are not U.S. Persons in “offshore transactions” as defined in and pursuant to Regulation S under the U.S. Securities Act (“**Regulation S**”); and (ii) within the United States to, or to U.S. Persons that are, both “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the U.S. Securities Act and “qualified purchasers” (“**QPs**”) as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The Company will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of such legislation. Persons resident in territories other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose of the Ordinary Shares.

In particular, the attention of persons resident in the United States, any EEA State (other than any EEA State, including the United Kingdom, where the Ordinary Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan is drawn to the section titled “Overseas Investors” of the Important Information section of this Prospectus. This Prospectus does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful.

19 November 2020

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SUMMARY

INTRODUCTION AND WARNING

Introduction

This document relates to the issue of ordinary shares of 25 pence each (“**Ordinary Shares**”) in the capital of Manchester and London Investment Trust public limited company (the “**Company**”) pursuant to the Company’s Share Issuance Programme. The ISIN for the Ordinary Shares is GB0002258472. The LEI of the Company is 213800HMBZXULR2EEO10 and its registered office is at 12a Princes Gate Mews, London, SW7 2PS.

This prospectus was approved by the Financial Conduct Authority (the “**FCA**”) in the United Kingdom on 19 November 2020. The head office of the FCA is at 12 Endeavour Square, London E20 1JN (Tel: 020 7066 1000).

Warning

The following summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on a consideration of this Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

It should be remembered that the price of the Ordinary Shares, and the income from such Ordinary Shares (if any), may go down as well as up. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such investment and who understand the potential risk of capital loss (which may be equal to the whole amount invested).

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

The Company is a public company limited by shares incorporated in England and Wales with an unlimited life under the Companies Acts 1948 to 1967 on 29 April 1971 with registered number 01009550. The Ordinary Shares were first admitted to listing on 8 December 1997. The Company is domiciled in the United Kingdom and is an investment company under section 833 of the Companies Act. The principal legislation under which the Company operates is the Companies Act and regulations made thereunder. The Company’s LEI is 213800HMBZXULR2EEO10.

The Company is an externally managed, closed-ended investment company and operates as an investment trust, approved by HMRC, in accordance with the Tax Act. The principal activity of the Company is to invest in a diversified portfolio, comprising any of global equities and/or fixed interest securities and/or derivatives. The investment objective of the Company is to achieve capital appreciation.

As at 17 November 2020 (being the latest practicable date prior to the publication of this Prospectus) the Company was aware of the following persons who are interested in three per cent. or more of the Company’s issued share capital.

	<i>No. of Ordinary Shares held</i>	<i>Percentage of issued share capital</i>
M&M Investment Company Plc	19,588,919	52.38%

M&M Investment Company Plc (“**MMIC**”), which is controlled by Mark Sheppard (who forms part of the Manager’s investment management team) and his immediate family, is the controlling Shareholder of the Company. There are no different voting rights for any Shareholder. The Directors are not aware of any arrangement, the operation of which may result in a change of control of the Company.

The Company’s Manager is M&L Capital Management Limited, a company which is also controlled by Mark Sheppard. The Directors of the Company are as follows:

- David Harris (*Chairman*);
- Daniel Wright (*Senior Independent Director & Chairman of the Audit Committee*);
- Brett Miller (*Non-independent Director*); and
- Sir James Waterlow (*Independent Director*).

All of the Directors are non-executive directors and are independent of the Manager save for Mr Miller who is head of Compliance, Risk and Governance Oversight at the Manager.

The Company’s auditors are Deloitte LLP.

What is the key financial information regarding the issuer?

Selected audited financial information relating to the Company which summarises the financial condition of the Company for the financial years ended 31 July 2019 and 31 July 2020 is set out in the following table.

	<i>For the year ended 31 July 2019</i>	<i>For the year ended 31 July 2020</i>
Net asset value		
Number of Ordinary Shares in issue	29,363,930	36,135,738
Net assets (£’000)	166,981	225,933
Net asset value per Ordinary Share (p)	568.66	625.23
Ordinary Share price (p)	538.00	630.00
Income		
Total investment income before operating expenses (£’000)	749	647
Net return attributable to equity shareholders (£’000)	15,900	24,037
Performance fee (accrued/paid) (£’000)	n/a	n/a
Manager’s fee charged to revenue (accrued/paid) (£’000)	1,115	1,470
Any other material fees (accrued/paid) to service providers (£’000)	406	555
Revenue return per Ordinary Share (p)	(3.17)	(5.47)
Dividend per Ordinary Share (p)	14.00	14.00
Ongoing charges		
As a percentage of average total Shareholders’ funds (%)	0.83	0.77
Portfolio summary		
Shareholders’ funds (£’000)	166,981	225,933

What are the key risks that are specific to the issuer?

The following are brief descriptions of what the Directors believe, at the time of publication of this document, to be the key material risks specific to the Company.

- The Company operates in a regulatory environment and failure to comply with the regulations affecting the Company, including maintaining its investment trust status could have a material adverse effect on the financial position of the Company.
- The Company relies upon third party service providers, in particular the Manager, to perform certain integral functions. Failure by any service provider to perform its obligations or to exercise due care and skill or loss of key personnel by any service provider could have a material adverse effect on the Company's performance.
- The Company's portfolio is managed by the Manager and in particular there are two investment executives (being Mark Sheppard and Richard Morgan) within the MLCM team who have direct responsibility for portfolio selection. In the event of either of these two investment executives being unable to continue in their role with the Manager or the Company, the dynamics of the management arrangements may need to be reviewed by the Board to avoid a change in the investment strategy. Any such change in relation to the Manager's investment executives may result in the performance of the Company or its Ordinary Shares being adversely affected.
- The Company's controlling Shareholder, MMIC, is controlled by Mark Sheppard (who forms part of the Manager's investment management team) and his immediate family. In addition, Mark Sheppard controls MLCM, the Company's AIFM and portfolio manager. The Company has in place a relationship agreement with MMIC in order to ensure compliance with the independence provisions set out in Listing Rule 6.5.4R. In addition, the majority of the Board is independent of the Manager and MMIC. However, Shareholders and prospective investors should note that potential conflicts could arise between the interests of the Company and its Shareholders in general and the interests of Mark Sheppard and his family and that the aforementioned measures cannot eliminate the risk of conflicts of interest arising.
- The Company's portfolio is focused on growth stocks. There can be no guarantee that the Company's portfolio will continue to be able to generate positive total returns which may affect the price and liquidity in the Ordinary Shares.
- The Company's functional and reporting currency is Sterling but the Company's portfolio is primarily exposed to currencies other than Sterling, principally US dollars and Hong Kong dollars. The Company has exposure to foreign exchange rate risk which may result in volatility in the NAV per Share.
- The Company's portfolio is weighted heavily to investments in the technology sector and is therefore materially exposed to technology stock valuations which may fall as well as rise. A sustained material fall in technology stock valuations would materially adversely impact the Net Asset Value of the Company and returns to Shareholders. In addition, businesses operating in the digital economy may increasingly be subject to new forms of taxation (for example digital services taxes) and are subject to stringent privacy and data protection regulation any breach of which may adversely affect technology stock valuations. The imposition of such taxes or other legal or fiscal intervention, and/or breach of applicable regulation may adversely affect technology stock valuations.
- The underlying investments comprised in the Company's portfolio will be subject to market risk. The Company seeks to achieve its investment objective through a policy of actively investing in a diversified portfolio, comprising any of global equities and/or fixed interest securities and/or derivatives. The prices of equity investments may be volatile and are affected by a wide variety of factors many of which can be unforeseen and are outside the control of the investee company and the Manager. These price movements could result in significant losses for the Company which would impact the returns to Shareholders.
- The Company's portfolio includes derivative products including options. Such financial instruments inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. As a result, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Derivative transactions may also expose the Company to the creditworthiness of counterparties and their ability to satisfy the terms of such contracts. The Company is reliant on its Prime Brokers and bankers remaining solvent and

rational. Changes in the financial position of the Company's Prime Brokers could alter their willingness to provide leverage to the Company.

- The Company may seek to enhance investment returns by using gearing in the form of derivatives and/or borrowings. Whilst gearing should enhance the total return on the Shares where the return on the Company's underlying assets is positive and exceeds the cost of the gearing, it will have the opposite effect where the return on the Company's underlying assets is at a lower rate than the cost of the gearing, reducing the total return on the Shares. As a result, gearing may increase the volatility of the NAV per Share.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The Ordinary Shares have a nominal value of 25 pence each and are denominated in Sterling. The ISIN of the Ordinary Shares is GB0002258472 and the SEDOL number is 0225847. The ticker code for the Ordinary Shares is MNL.

As at 17 November 2020 (being the latest practicable date prior to the publication of this document) the issued share capital of the Company comprised 37,398,238 Ordinary Shares and no Ordinary Shares were held in treasury.

The New Shares will rank *pari passu* in all respects with the existing issued Ordinary Shares (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant New Shares). Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, Shareholders have the right to receive notice of, attend and vote at general meetings of the Company. Each Shareholder present in person or by proxy or by a duly authorised representative (if a company) at a general meeting shall upon a show of hands have one vote and upon a poll all Shareholders have one vote for every Ordinary Share held. Subject to the provisions of the Companies Act, the Company may from time to time declare dividends and make other distributions on the Ordinary Shares. Shareholders shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares that they hold. Shareholders are entitled to participate in the net assets of the Company attributable to their Ordinary Shares on a winding up of the Company or other return of capital.

There are no restrictions on the transferability of the Ordinary Shares, subject to compliance with applicable securities laws and the Articles.

The Company does not have any formal policy to achieve any specified level of dividend. The Company may declare dividends as justified by funds available for distribution. The dividend payments are split in order to better equalise payments to Shareholders. Recurring income from dividends on the Company's underlying investments is paid out as ordinary dividends.

The Company aims to conduct its business so as to continue to satisfy the conditions to retain approval as an investment trust under section 1158 of the Tax Act. In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Ordinary Shares from time to time in order to comply with these requirements.

Where will the securities be traded?

Applications will be made to the FCA for the New Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market. It is expected that such Admissions will become effective, and dealings in the New Shares will commence, during the period from 24 November 2020 to 18 November 2021.

What are the key risks that are specific to the securities?

The following is a brief description of what the Directors believe, at the time of publication of this document, to be the key material risks specific to the Ordinary Shares.

- The market value of, and the returns derived from, the Ordinary Shares may go down as well as up and an investor may not get back the amount invested.
- The market price of the Ordinary Shares may fluctuate independently of their underlying net asset value and the Ordinary Shares may trade at a discount or premium to the NAV per Share at different times.
- The Directors are under no obligation to effect repurchases of Ordinary Shares. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares in the market.
- Although the Ordinary Shares will be listed on the Official List and admitted to trading on the London Stock Exchange's Main Market, there may not be a liquid market in the Ordinary Shares and Shareholders may have difficulty selling them.
- The Company may, in the future (including pursuant to the Share Issuance Programme) issue new equity, which may dilute Shareholders' voting rights.

KEY INFORMATION ON THE OFFER

Under which conditions and timetable can I invest in this security?

No public offer of Ordinary Shares is being made by the Company. The Company may issue a maximum of 40 million New Shares under this Prospectus pursuant to the Share Issuance Programme. The Share Issuance Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue New Shares over a period of time. The last date on which New Shares may be admitted to trading on the Main Market under the Share Issuance Programme is 18 November 2021.

No expenses or tax in connection with any Issue will be charged directly to any investor. New Shares will be issued at, or at a premium to, the then prevailing NAV per Share (any such premium being to cover share issuance costs, including listing fees and any broker commissions, but not the Documentation Costs). The Board is responsible for the determination of the Issue Price. Any premium to the NAV per Share at which New Shares may be issued will be determined by the Board at its discretion at the time of Issue.

The Documentation Costs, which have been or will be borne by the Company, are approximately £85,450. The immediate dilution in the NAV per Share arising from the Documentation Costs (on the assumption that no New Shares are issued pursuant to the Share Issuance Programme and based on the NAV per Share as at 17 November 2020) is expected to be approximately 0.04 per cent.

The total number of Shares allotted under the Issues will be determined by the Company and the Manager after taking into account demand for the New Shares and prevailing economic and market conditions.

To become effective, each Issue under the Share Issuance Programme will require the following events to occur:

- (i) the Admission Condition being satisfied in respect of such Issue; and
- (ii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules.

Shareholders are not obliged to participate in the Share Issuance Programme. If an existing Shareholder does not acquire any New Shares under the Share Issuance Programme, then such Shareholder will suffer dilution to the percentage of the issued share capital of the Company that their existing holding represents, based on the number of New Shares issued at the relevant time. Assuming the Share Issuance Programme is subscribed as to 40 million New Shares, existing Shareholders who do not acquire any of those New Shares (and do not otherwise acquire Ordinary Shares) will suffer a dilution of approximately 51.7 per cent. to their existing percentage holdings in the Company.

The Share Issuance Programme is not underwritten.

Why is this prospectus being produced?

The Issues are intended to raise money for investment in accordance with the Company's investment objective and investment policy. The Directors intend to apply the net proceeds of any Issue in accordance with the Company's investment policy.

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 twelve months, 20 per cent. or more of such company's shares then the company concerned is required to publish a prospectus. In the light of the aggregate number of Ordinary Shares issued in the 12 months preceding the date of this Prospectus and anticipated future demand for Ordinary Shares, the Board believes the Company is likely to exceed the rolling twelve months' 20 per cent. limit on applications for admission to trading. Accordingly, this Prospectus is being published to allow the Company to continue to issue New Shares to satisfy demand from investors in the secondary market.

By way of example, assuming that 3 million New Shares available for issue under the Share Issuance Programme are issued by way of a single Issue at an Issue Price of 633.3 pence per Share (being the NAV per Share calculated as at close of business on 17 November 2020), approximately £19.0 million in aggregate would be raised under the Issues. On these assumptions, the total costs and expenses of and incidental to the Issues (including the Documentation Costs) to be borne by the Company, would be approximately £127,916. This would represent 0.67 per cent. of the total proceeds of the Issues and the net proceeds available for investment by the Company would be approximately £18.9 million. These net proceeds would be invested in accordance with the Company's investment policy.

The Company's largest Shareholder, MMIC, is controlled by Mark Sheppard (who forms part of the Manager's investment management team) and his immediate family. In addition, Mark Sheppard controls MLCM, the Company's AIFM and portfolio manager. The Board is aware that potential conflicts could arise between the interests of the Company and its Shareholders in general, and the interests of Mark Sheppard, his family and MMIC. The Company has in place a continuing written and legally binding Relationship Agreement with MMIC pursuant to which MMIC has given various undertakings in respect of its relationship with the Company, including an acknowledgement that the Company shall be capable at all times of carrying on its business and decision-making independently of MMIC and its associates, in accordance with the independence provisions set out in Listing Rule 6.5.4R. Since entering into the Relationship Agreement, MMIC has fully complied with the independence provisions included within the agreement. Under the Relationship Agreement, MMIC can appoint non-executive Directors to the Board, provided that the majority of these appointments are deemed to be independent from MMIC and the appointment of all directors are not to the detriment of the Shareholders as a whole.

The Manager and its officers, employees and consultants may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. In particular, the Manager may provide investment management services, investment advice or other services in relation to other funds that may have similar investment policies to that of the Company. The Manager will have regard to its obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

RISK FACTORS

The risk factors set out below are those which the Directors consider to be material but are not the only risks relating to the Company or the Ordinary Shares. There may be additional risks that the Directors do not currently consider to be material, or which are not presently known to the Directors. Before investing in the Ordinary Shares, potential investors should consult their stockbroker, bank manager, solicitor, accountant or other suitably qualified and independent financial adviser authorised under FSMA if they are in the United Kingdom or, in the case of Overseas Investors, another appropriately authorised independent financial adviser.

An investment in the Company should not be regarded as short-term in nature and involves risks that could lead to the loss of all or part of that investment. An investment in the Company is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment. Prospective investors should consider carefully all of the information set out in this document, including the risks described below, as well as their own personal circumstances, before deciding to invest in the Company.

The Directors believe that the risks described below are the material risks relating to an investment in the Ordinary Shares at the date of this document. If any of the adverse events described below occurs, the Company's financial condition, performance and prospects and the market price of the Ordinary Shares could be materially adversely affected and Shareholders may lose all or part of their investment. Additional risks which were not known to the Directors at the date of this document, or that the Directors considered to be immaterial at the date of this document, may also have an adverse effect on the Company's financial condition, performance and prospects and the market price of the Ordinary Shares.

Potential investors should carefully consider all the information in this Prospectus, including the following material risk factors in relation to the Company and the Ordinary Shares, before deciding to invest in the Company.

Risks relating to an investment in an investment trust

Cessation of investment trust status

The Company aims to conduct its business so as to continue to satisfy the conditions to retain approval as an investment trust under section 1158 of the Tax Act. The Company has been approved as an investment trust pursuant to the Investment Trust (Approved Company) (Tax) Regulations 2011 and it is expected to continue to have investment trust status in each accounting period going forward (save where the Company commits a serious breach of one or more of the conditions for qualification as an investment trust) and is expected to be exempt from United Kingdom taxation on its capital gains. Breach of the conditions that a company must meet to retain approval as an investment trust could lead to the Company being subject to tax on capital gains which could have a material adverse effect on the financial position of the Company and on returns to Shareholders.

Discount and premium

The market prices of shares in investment trusts fluctuate independently of their net asset value per share and can be at a discount or premium to the net asset value per share at different times, depending on supply and demand, market conditions, general investor sentiment, dividend yields, prevailing interest rates and other factors. Accordingly, the market price of an Ordinary Share may not fully reflect its underlying NAV per Share.

The Manager monitors the level of the discount or premium at which the Ordinary Shares trade. The ability of the Company to control the level of discount or premium will depend on the Company being able to buyback or issue Ordinary Shares, which will be dependent upon Shareholders in general meetings conferring authority on the Board to buyback or issue Ordinary Shares. The Board intends to seek renewal of these authorities from Shareholders annually and at other times should this prove necessary. However, there can be no guarantee that the requisite Shareholder authorities will be obtained or that the Company will be successful in its efforts to control the level of discount or premium at which the Ordinary Shares trade.

The price at which the Ordinary Shares will be traded and the price at which Shareholders may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. There can be no guarantee that the Ordinary Shares will trade at prices close to the price paid by a Shareholder to acquire their Ordinary Shares.

Liquidity

The Company is a closed-ended company and, as such, Shareholders will have no right to have their Ordinary Shares redeemed or repurchased by the Company at any time. As such, Shareholders wishing to realise their investment in the Company will likely be required to dispose of their Ordinary Shares on the market. Accordingly, the ability of Shareholders to realise any value in respect of their Ordinary Shares will be dependent on the market conditions, including any demand or lack thereof for Ordinary Shares, at the time.

Third party service providers

The Company has no employees and all of the Directors have been appointed on a non-executive basis. The Company must therefore rely upon third party service providers to perform certain functions. In particular, the Manager, Administrator, Company Secretary, Depositary, Registrar and prime brokers and their respective delegates, if any, will perform services that are integral to the Company's operations and financial performance. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, to exercise due care and skill, or to perform its obligations to the Company at all as a result of insolvency, bankruptcy or other causes, could have a material adverse effect on the Company's operations and performance and on returns to Shareholders. The termination of the Company's relationship with any third party service provider, or any delay in appointing a replacement for any such service provider, could materially disrupt the business of the Company and could have a material adverse effect on the Company's performance and returns to Shareholders.

Regulatory and tax risk

The Company is subject to laws and regulations enacted in the UK, the European Union and elsewhere, including in relation to taxation. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. Any change in the laws and regulations affecting the Company, the Manager or the Company's investments, including any increase in the tax burden, may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment objective and policy, and on the value of the Company's investments and the Ordinary Shares. In such event, the investment returns of the Company may be materially adversely affected.

The Company is subject to and will be required to comply with the Listing Rules and the admission and disclosure standards of the London Stock Exchange. A failure by the Company to comply with those rules and standards may result in the Ordinary Shares being suspended from listing or trading.

Risks relating to an investment in the Company

The Company may not achieve its investment objective and investors may not get back the full value of their investment

The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability to execute successfully its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors which are described in more detail below and there can be no assurance that the Company's investment strategy will be successful or that the Company will be able to generate investment returns or avoid investment losses. Any failure by the Company to achieve its investment objective may adversely affect its operations and returns to Shareholders.

Benchmark

The Company does not seek to track any benchmark. Accordingly, the portfolio of investments held by the Company may be held across a wide range of equity sectors and will not mirror the stocks and weightings that constitute any particular index or indices, which may lead to the Ordinary Shares failing to follow either the direction or extent of any moves in the financial markets generally (which may or may not be to the

advantage of Shareholders). The Ordinary Shares are an unsuitable investment for those who seek investments in some way correlated to a stock market index.

Manager

The Company's portfolio is managed by the Manager and in particular there are two investment executives (being Mark Sheppard and Richard Morgan) within the Manager's team who have direct responsibility for portfolio selection. In the event of either of these two investment executives being unable to continue in their role with the Manager or the Company, the dynamics of the management arrangements may need to be reviewed by the Board to avoid a change in the investment strategy. Any such change in relation to the Manager's investment executives may result in the performance of the Company or its Ordinary Shares being adversely affected.

Conflicts of interest

The Company's controlling Shareholder, M&M Investment Company Plc ("**MMIC**"), is controlled by Mark Sheppard (who forms part of the Manager's investment management team) and his immediate family. In addition, Mark Sheppard controls MLCM, the Company's AIFM and portfolio manager. The Company has in place a relationship agreement with MMIC in order to seek to ensure compliance with the independence provisions set out in Listing Rule 6.5.4R. In addition, the majority of the Board is independent of MLCM. However, Shareholders and prospective investors should note that potential conflicts could arise between the interests of the Company and its Shareholders in general and the interests of Mark Sheppard and his family and that the aforementioned measures cannot eliminate the risk of conflicts of interest arising.

As at 17 November 2020, MMIC holds 52.38 per cent. of the Company's issued share capital. Shareholders and prospective investors should note that as MMIC holds more than 50 per cent. of the voting rights in the Company, MMIC is able to increase its aggregate holding in the Company without triggering the requirement to make a mandatory cash offer for the outstanding Ordinary Shares in the Company under the Takeover Code.

Equity portfolio

The Company seeks to achieve its investment objective by constructing a diversified portfolio comprising of 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, futures, forwards and options. The prices of equity and derivative investments may be extremely volatile and are affected by a wide variety of factors many of which can be unforeseen, unrelated to the underlying investment the derivative is tracking and are out of the control of the investee company or the Manager. These price movements could result in significant losses for the Company which would impact the returns to Shareholders and the ability of Shareholders to realise their investments.

The number, quality and size of investment opportunities, and general market and economic conditions, may lead to delays in investing the net proceeds of the Issues. If equity prices rise or fall significantly before the net proceeds are fully invested, the potential returns available to Shareholders may differ from the returns which would have been available on the Company's existing portfolio.

Market events

The underlying investments comprised in the Company's portfolio will be subject to market risk. Market risk is risk associated with *inter alia*, changes in market prices or rates, including interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances and national and international disasters such as a global pandemic or environmental disaster. While the Company intends to hold a diversified portfolio, any of these factors including specific market events, such as a global financial crisis, may be materially detrimental to the value and the performance of the Company's investments. The Company is therefore at risk that market events may affect performance and in particular may affect the value of the Company's investments.

Growth stocks

The Company's portfolio is focused on growth stocks. Growth stocks are those that are anticipated to grow at a rate above the average growth for the market. There can be no guarantee that the stocks held in the

Company's portfolio will grow at the expected rate, or at all. An increase in interest rates or discount rates may make growth stocks less attractive to investors and result in a reduction in their valuations. These factors may have a material adverse effect on the performance of the Company and the liquidity of its Ordinary Shares.

Weighting towards technology stocks

Greater concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and consequently its Net Asset Value and may materially and adversely affect the performance of the Company and returns to Shareholders. The Company's portfolio is currently weighted heavily to investments in the technology sector and is therefore materially exposed to technology stock valuations which may fall as well as rise. A sustained material fall in technology stock valuations would materially adversely impact the Net Asset Value of the Company and returns to Shareholders. In addition, businesses operating in the digital economy may increasingly be subject to new forms of taxation (for example digital services taxes) as governments in various jurisdictions (and international bodies such as the OECD) seek to align the place where profits of digital businesses are taxed with the place where value is created. Technology and digital businesses are also subject to stringent privacy and data protection regulation and governments and regulators are increasingly concerned with the dominance of some companies operating in the technology sector which may lead to increased restrictions around some parts of these businesses including the possibility of break ups. The imposition of such laws, regulations, taxes or other fiscal intervention, and/or breach of applicable and/or increased regulation may adversely affect technology stock profits and valuations.

Derivative instruments

The Company's portfolio includes derivative instruments including options. The Company uses derivative instruments for the purposes of efficient portfolio management as well as for investment purposes within the limits set by the Directors. Derivative instruments can be highly volatile and expose investors to a high risk of loss. Such financial instruments inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. As a result, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. It may be impossible to liquidate an existing position in, to assess the value of a position in or to assess the exposure to risk arising through, derivative instruments.

Prime broker solvency

Derivative transactions may also expose the Company to the creditworthiness of counterparties and their ability to satisfy the terms of such contracts. The Company is reliant on its prime brokers and bankers remaining solvent and rational. Changes in the financial position of Prime Brokers could alter their willingness to provide leverage to the Company, which could lead to positions being closed out earlier than otherwise intended.

Gearing

The Company may seek to enhance investment returns by using gearing in the form of derivatives and/or borrowings. Whilst gearing should enhance the total return on the Ordinary Shares where the return on the Company's underlying assets is positive and exceeds the cost of the gearing, it will have the opposite effect where the return on the Company's underlying assets is at a lower rate than the cost of the gearing, reducing the total return on the Ordinary Shares. As a result, gearing may increase the volatility of the NAV per Share.

As a result of gearing, any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its Net Asset Value (which is likely to adversely affect the price of an Ordinary Share). Any reduction in the Net Asset Value of the Company (for example, as a result of Share buy backs) will, in the absence of a corresponding reduction in gearing, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings or unwind derivative contracts, which may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from

investments. No assurance can be given that any sales of the Company's investments would realise proceeds which would be sufficient to repay any borrowings or cancel derivative contracts.

There is no guarantee that gearing, in the form of bank borrowings and/or derivatives, will be available to the Company or that any bank borrowings of the Company will be refinanced on their maturity, either on terms that are acceptable to the Company or at all.

The Company will pay interest or premiums on any borrowings or derivative contracts and the Company will be exposed to interest rate risk due to fluctuations in the prevailing market rates.

Foreign exchange

The Company's functional and reporting currency is Sterling but the Company's portfolio is primarily exposed to currencies other than Sterling, principally US dollars and Hong Kong dollars. The Company has exposure to foreign exchange rate risk which may result in volatility in the NAV per Share.

Following the vote in favour of the UK leaving the European Union ("**Brexit**") held on 23 June 2016, the UK left the European Union on 31 January 2020 and has until 31 December 2020 to agree and ratify a trade deal with the European Union. The extent of the impact of Brexit on the Company will depend in part on the nature of the arrangements, if any, that are put in place between the UK and the European Union following eventual Brexit both in the short and long term and the extent to which the UK continues to apply laws that are based on EU legislation. The Company may be subject to a significant period of uncertainty in the period leading up to and following eventual Brexit including, *inter alia*, uncertainty in relation to any regulatory or tax change. The terms of any trade deal agreed between the UK and the European Union or the UK failing to agree, or a delay in any agreement of, a trade deal with the European Union could create material uncertainty in the UK market and adversely affect the value of Sterling which may have a material effect on total Shareholder returns, the Net Asset Value of the Company and the price of the Ordinary Shares, favourably or unfavourably.

The COVID-19 Pandemic

The COVID-19 Pandemic and the measures taken to control the outbreak led to volatility and a substantial decline in stock markets and other financial markets around the world, and a downturn in the global economy. The future development and the long-term impacts of the outbreak are unknown and it remains to be seen how and when the global economy and financial markets will recover from the impact of the pandemic and what effect any secondary outbreaks may have on the global economy and financial markets. There can be no guarantee that the COVID-19 Pandemic will not have a material adverse impact on the future investment returns of the Company and the price of the Ordinary Shares.

Cybersecurity breaches

The Company and its service providers (including the Manager) may be subject to operational, information security and related risks resulting from failures of or breaches in cybersecurity.

A failure of, or breach in, cybersecurity ("**cyber incidents**") may cause disruption and impact business operations, potentially resulting in financial losses, interference with the ability to calculate the Net Asset Value, impediments to trading, failure to achieve safe custody of the Company's assets, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

While the Company's service providers and the Manager have established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures, including the possibility that certain risks have not been identified. Furthermore, none of the Company, the Manager and/or the other service providers can control the cybersecurity plans, strategies, systems, policies and procedures put in place by the entities in which the Company invests.

IMPORTANT INFORMATION

General

This Prospectus should be read in its entirety. Prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations about the Company or the New Shares other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Manager or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation, neither the delivery of this Prospectus nor any investment made following the publication of this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date.

The Ordinary Shares are designed to be held over the long-term and are not suitable as a short-term investment. The value of an investment in the Company and any income derived from it, if any, may go down as well as up. An investment in the Ordinary Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which might result from such an investment (which may be equal to the whole amount invested). There can be no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. There can be no guarantee that the investment objectives of the Company will be achieved or provide the returns sought by the Company. The past performance of the Company and the Manager is not a guarantee of the future performance of the Company. Shareholders will bear the rewards and risks of the success or otherwise of the Company's investments. Although the Ordinary Shares are, and the New Shares will be, admitted to listing on the premium segment of the Official List and to trading on the Main Market, it is possible that there may not be a liquid market in the Ordinary Shares and Shareholders may have difficulty selling them.

Shareholders must not treat the contents of this Prospectus or any subsequent communications from the Company or the Manager or any of their respective affiliates, officers, directors, employees or agents, as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Apart from the liabilities and responsibilities (if any) which may be imposed on Dickson Minto W.S. by FSMA or the regulatory regime established thereunder, Dickson Minto W.S. makes no representations, express or implied, or accepts any responsibility whatsoever for the contents of this document nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the New Shares or the Issues. Dickson Minto W.S. accordingly disclaims all and any liability (save for any statutory liability), whether arising in tort or contract or otherwise, which it might otherwise have in respect of this document or any such statement.

All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles of the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction: (i) in which such offer or solicitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to whom it is unlawful to make such offer or solicitation. The distribution of this document and the offering of Ordinary Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions.

If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other professional or financial adviser.

Overseas Investors

For the attention of United States residents

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. The New Shares are being offered and sold solely (i) outside the United States to persons who are not U.S. Persons in “offshore transactions” as defined in and pursuant to Regulation S under the U.S. Securities Act (“**Regulation S**”); and (ii) within the United States to, or to U.S. Persons that are, both “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the U.S. Securities Act and “qualified purchasers” (“**QPs**”) as defined in Section 2(a)(51) of the U.S. Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There will be no public offer of the Ordinary Shares in the United States. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Ordinary Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Ordinary Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Ordinary Shares in the United States or to U.S. Persons may constitute a violation of US law or regulation. Any person in the United States who obtains a copy of this Prospectus is requested to disregard it.

For the attention of prospective investors in Canada, Japan, Australia or the Republic of South Africa

The offer and sale of Ordinary Shares has not been and will not be registered under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, the Ordinary Shares may not be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of such territories.

For the attention of prospective investors in the European Economic Area and the United Kingdom

In relation to each Member State of the EEA and the United Kingdom (each a “**Relevant State**”), no Ordinary Shares have been offered or will be offered pursuant to the Issues to the public in that Relevant State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant State, or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) in such Relevant State; or
- in any other circumstances falling within Article 1(3) and 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the Prospectus Regulation and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Issues will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation.

The expression an “offer to the public” in relation to any offer of Ordinary Shares in any Relevant State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

In addition, Ordinary Shares will only be offered to the extent that the Ordinary Shares: (i) are permitted to be marketed into the UK and/or into the relevant EEA jurisdiction pursuant to the AIFM Directive; or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

For the attention of prospective investors in other jurisdictions

The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**Directive 2014/65/EU**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares to be issued pursuant to the Issues are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties each as defined in Directive 2014/65/EU; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issues.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

PRIIPs Regulation

Investors should be aware that the Packaged Retail and Insurance-based Investment Products Regulation (“**PRIIPs Regulation**”) requires the Manager, as PRIIP manufacturer, to prepare a key information document (“**KID**”) in respect of the Company. This KID must be made available by the Manager to retail investors prior to them making any investment decision and is available on the Company’s website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns referred to in the KID are prescribed by the law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed.

Data Protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“**personal data**”) will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (a) the relevant data protection legislation and regulatory requirements of the United Kingdom (the “**Data Protection Legislation**”); and (b) the Company’s

privacy notice, a copy of which is available for consultation on the Company's website at www.mlcapman.com/manchester-london-investment-trust-plc ("**Privacy Notice**") (and if applicable any other third party delegate's privacy notice).

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) in accordance with and for the purposes set out in the Company's Privacy Notice which include:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company; and
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere or of any third party, functionary or agent appointed by the Company.

Where necessary to fulfil the purposes set out above and in the Company's Privacy Notice, the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) will:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to operate and administer the Company; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors provided that suitable safeguards are in place for the protection of such personal data, details of which shall be set out in the Privacy Notice or otherwise notified from time to time.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor, to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, functionary or agent and/or makes such a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which shall be set out in the Privacy Notice or otherwise notified from time to time.

Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions. Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Company's Privacy Notice.

Presentation of financial information

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Currency presentation

Unless otherwise indicated, all references in this document to "£", "pence" or "GBP" are to the lawful currency of the UK and all references in this document to "\$", "cent" or "USD" are to the lawful currency of the United States.

European Union legislation

In this document there are references to various pieces of European Union legislation, for instance the AIFM Directive. While the UK is subject to a transitional and implementation period (“**TIP**”) following the exit day when the UK left the EU, EU law continues to apply to the UK as if it were still a member of the EU and therefore references to EU legislation should be construed as references to that legislation as enacted by the EU. When the TIP comes to an end, references to EU legislation should be construed as references to that legislation as transposed into UK law by the European Union (Withdrawal) Act 2018 (“**EUWA**”) and as further amended by secondary legislation made under EUWA. Prospective investors should note that Issues under the Share Issuance Programme may be undertaken at a time after the TIP has come to an end.

Websites

Neither the contents of the Company’s or the Manager’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s or the Manager’s website (or any other website) is incorporated into, or forms part, of this Prospectus, or has been approved by the FCA. Prospective investors should base their decision whether or not to invest in the New Shares on the contents of this Prospectus alone.

Tax reporting, FATCA and Common Reporting Standard (“CRS”)

Shareholders should furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA or CRS. Shareholders may be subject to tax reporting under applicable laws. FATCA and CRS documentation and reporting obligations can also arise in respect of Shareholders where third parties hold shares or act on their behalf.

Governing law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

Regulatory information

Any change in the Company’s tax status or in taxation legislation or accounting practice could affect the value of the investments held by the Company, affect the Company’s ability to provide returns to Shareholders or alter the post-tax returns to Shareholders. Representations in this document concerning the taxation of investors are based upon tax law and practice as at the date of this document, which are, in principle, subject to change. Any change in accounting standards may adversely affect the value of the Company’s assets and liabilities in its books of account or restrict the ability of the Company to pay dividends.

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect the Company’s business, investments and performance. The Company is subject to laws and regulations enacted by the UK and EU legislators. In addition, the Company is required to comply with certain regulatory requirements which are applicable to closed-ended investment companies (including continuing obligations) whose shares are listed on the premium segment of the Official List. Any change in the laws and regulations affecting the Company, the Manager or the Company’s investments may have an adverse effect on the ability of the Company to carry on its business and pursue its investment policy.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment decisions or any other matter. Prospective investors must inform themselves as to (i) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Ordinary Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Ordinary Shares.

Prospective investors must rely on their own representatives, including their own legal, financial and tax advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the risk of capital loss, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. It should be remembered that the price of the Ordinary Shares and the annual income from such Ordinary Shares (if any) can go down as well as up.

The Company is a closed-ended company and, as such, Shareholders will have no right to have their Ordinary Shares redeemed or repurchased by the Company at any time. Therefore Shareholders wishing to realise their investment in the Company may need to dispose of their Ordinary Shares in the market.

Forward looking statements

To the extent that this document includes “forward looking statements” concerning the Company, those statements are based on the current expectations of the Board and are naturally subject to uncertainty and changes in circumstances. Forward looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates” and words of similar import.

By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. Given these risks and uncertainties, potential investors should not place undue reliance on forward looking statements as a prediction of actual results.

Nothing in the preceding two paragraphs seeks to limit or qualify, in any way, the working capital statement in paragraph 8 of Part 4 of this document.

The Company does not undertake any obligation to update publicly or revise forward looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Information in this document will be updated as required by the Prospectus Regulation Rules, Listing Rules, Disclosure Guidance and Transparency Rules and Market Abuse Regulation, as appropriate.

Latest practicable date

In this document, where the context requires, references to 17 November 2020 should be treated as being references to the latest practicable date prior to the publication of this Prospectus.

Documents incorporated by reference

The parts of the published annual financial reports of the Company for the two financial years ended 31 July 2019 and 31 July 2020 specified in the table below are incorporated by reference into this document. The non-incorporated parts of these annual financial reports are either not relevant to investors or are covered elsewhere in this document.

<i>Nature of Information</i>	<i>Annual report and audited accounts for the year ended 31 July 2019 Page No.</i>	<i>Annual report and audited accounts for the year ended 31 July 2020 Page No.</i>
Performance Highlights	3	3
Chairman's Statement	4	4
Manager's Review	5	5
Portfolio Analysis	7-10	7-10
Independent Auditor's Report	48	50
Income Statement	60	62
Statement of Changes in Equity	61	63
Statement of Financial Position	62	64
Cash Flow Statement	63	65
Notes to the Financial Statements	64	66

The documents incorporated by reference can be inspected at the Company's website, www.mlcapman.com/manchester-london-investment-trust-plc, and as set out in paragraph 11 of Part 6 of this document.

DIRECTORS, MANAGER AND OTHER ADVISERS

Directors	Mr David Harris (<i>Chairman</i>) Mr Brett Miller Mr Daniel Wright Sir James Waterlow
Registered Office	12a Princes Gate Mews London SW7 2PS
Manager and AIFM	M&L Capital Management Limited 12a Princes Gate Mews London SW7 2PS
Administrator	Link Alternative Fund Administrators Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Company Secretary	Link Company Matters Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Solicitors and Sponsor	Dickson Minto W.S. Broadgate Tower 20 Primrose Street London EC2A 2EW
Auditors	Deloitte LLP 1 New Square London EC4A 3HQ
Registrar	Link Market Services Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Depositary	Indos Financial Limited 54 Fenchurch Street London EC3M 3JY

ISSUE STATISTICS

Maximum number of New Shares to be issued under the Share Issuance Programme 40,000,000

Issue Price New Shares will be issued at, or at a premium to, the then prevailing NAV per Share

DEALING CODES

ISIN GB0002258472

SEDOL 0225847

Ticker code MNL

Legal Entity Identifier (LEI) of the Company 213800HMBZXULR2EEO10

PART 1

MANCHESTER AND LONDON INVESTMENT TRUST PUBLIC LIMITED COMPANY

Introduction

Manchester and London Investment Trust Public Limited Company, which was admitted to the Official List in December 1997, is an investment trust with the investment objective to achieve capital appreciation. The Company seeks to achieve this 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, futures, forwards and options for the purposes of (i) holding investments and (ii) hedging positions.

The executive responsibilities for management of the Company's assets have been delegated by the Board to M&L Capital Management Limited as AIFM for the purposes of the AIFM Directive.

Background to the publication of this Prospectus

Over the last two years, there has been 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 6,174,298 Ordinary Shares (approximately 25.23 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 £242.0 million as at 17 November 2020 (being the latest practicable date prior to the publication of this Prospectus). This demand has persisted notwithstanding the disruption to financial markets caused by the COVID-19 Pandemic.

The Board believes that the Company's continued ability to issue Ordinary Shares at, or at a premium to, the NAV per Share benefits Shareholders as a whole as it should increase liquidity in the Ordinary Shares, spreads the fixed costs of the Company over a larger asset base and should reduce 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 must issue a prospectus. In the twelve months preceding 17 November 2020, the Company has issued 7,226,735 Ordinary Shares and is now close to reaching the 20 per cent. limit.

In the 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 publication of this Prospectus is necessary in order to allow the Company to continue to issue Ordinary Shares where the Directors consider it is in the best interests of the Company and its Shareholders to do so.

New Shares will be issued under the Share Issuance Programme only (i) at, or at a premium to, the then prevailing NAV per Share; (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.

At a general meeting of the Company held on 2 November 2020, the Directors were granted authority to: (i) allot Ordinary Shares up to an aggregate nominal amount of £10,000,000 and (ii) issue Ordinary Shares for cash up to an aggregate nominal amount of £10,000,000 on a non pre-emptive basis. Further authorities to issue Ordinary Shares on a non pre-emptive basis were granted by Shareholders at the annual general meeting held on 2 November 2020. As at 17 November 2020, the Directors' have authority to issue, on a non pre-emptive basis for cash, up to 52,045,244 New Shares.

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 per cent. 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 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 per cent. 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 per cent. 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 per cent. of its total assets in other listed closed-ended investment funds. However, the Company may invest up to 50 per cent. 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 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.

Investment strategy

The Company seeks to achieve its investment objective through the construction of a diversified portfolio of approximately 20 to 100 holdings, which generally exhibit quality fundamental financial metrics, are global in operations, are liquid by virtue of being quoted on financial markets and growth orientated in strategy. Further details of the Company's current portfolio are set out in Part 4 of this Prospectus.

The Company's portfolio is actively managed and does not seek to track a benchmark. However, investment performance is reviewed by the Board on a regular basis against the total return of the MSCI UK Index. The composition of the Company's portfolio is reviewed at each Board meeting to allow monitoring of the investments. The liquidity profile of the portfolio is managed by the Manager and reported to the Board on a monthly basis. The Company's portfolio is primarily invested in securities that are listed, quoted or admitted to trading which are considered to be readily realisable and so the portfolio has high levels of liquidity.

During the last five years, the Company has grown from net assets of approximately £63.1 million (as at 31 July 2015) to net assets of approximately £236.8 million (as at 17 November 2020). The Company has reduced its ongoing charges ratio and increased the average number of shares traded per day.

Investment outlook

Many market commentators believe that global equity markets are exhibiting the initial signs of overvaluation driven by the vast monetary stimulus packages provided by central banks across the globe. This upturn in equity markets has occurred at a time when real yields and global economic growth forecasts have been declining. Combining these two scenarios means investing in equity markets will require skill and dedication to harness the sparse returns that may be available.

Though the Company is not constrained to any sector, it is expected to remain materially exposed to the technology sector over the medium term. The technology sector itself faces numerous risks from increased taxation, increased regulation, including the potential for compulsory break-ups of major technology companies, and the technology war that is escalating between the USA and China.

However, the Company's portfolio has been positioned to capture a continuing move by society towards an increasingly digital future. Over centuries, the machine has slowly disrupted the dominance of man within the economy. Investing in the digital future may allow investors to harness the great economic gains of the continuing empowerment of the machine.

Over the short to medium term, the timing and nature of the recovery from the COVID-19 Pandemic, the outcome of the US elections and the final negotiations over Brexit could all materially affect financial markets both positively or negatively.

Capital structure

The Company's share capital comprises of only Ordinary Shares, all of which are listed on the premium segment of the Official List and admitted to trading on the Main Market. Shareholders are entitled to such dividends (if any) as are declared by the Company and are entitled, on a return of capital on a winding up or otherwise, to all undistributed revenue of the Company and to the residual capital of the Company which remains after satisfying any liabilities.

At a general meeting of the Company held on 2 November 2020, the Directors were granted authority to: (i) allot Ordinary Shares up to an aggregate nominal amount of £10,000,000 and (ii) issue Ordinary Shares for cash up to an aggregate nominal amount of £10,000,000 on a non pre-emptive basis. Further authorities to issue Ordinary Shares on a non pre-emptive basis were granted by Shareholders at the annual general meeting held on 2 November 2020.

As at 17 November 2020, the Directors' have authority to issue, on a non pre-emptive basis for cash, 52,045,244 New Shares.

Dividend policy

The Company does not have any formal policy to achieve any specified level of dividend. The Company may declare dividends as justified by funds available for distribution. The dividend payments are split in order to better equalise payments to Shareholders. Recurring income from dividends on the Company's underlying investments is paid out as ordinary dividends.

The Company will aim to conduct its business so as to continue to satisfy the conditions to retain approval as an investment trust under section 1158 of the Tax Act. In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period. The Board may resolve to pay dividends on the Ordinary Shares from time to time in order to comply with these requirements.

Share buybacks

At the Company's most recent annual general meeting held on 2 November 2020, the Company was granted the authority to buyback up to 5,416,747 Ordinary Shares. As at the date of this Prospectus, the Company has not purchased any Ordinary Shares pursuant to this authority. The Directors intend to seek renewal of this authority from Shareholders annually at each annual general meeting.

It is the intention of the Directors that the share buyback authority will only be exercised if the Directors are of the opinion that the NAV per Share will be enhanced for the continuing Shareholders and it is considered to be in the best interests of Shareholders generally, and if the overall financial position of the Company will benefit from such purchases.

PART 2

DIRECTORS, MANAGER AND ADMINISTRATION OF THE COMPANY

Directors

The Directors, each of whom is non-executive and, save for Mr Miller, independent of the Manager, are responsible for the determination of the investment policy of the Company and the overall supervision of the Company. The Company operates with a small but experienced non-executive Board of Directors, providing investment and corporate skills and experience of closed-ended funds to their oversight roles. In any succession planning the aim is to maintain a small but experienced Board. The Directors are as follows:

David Harris (*Chairman*)

Mr Harris was appointed to the Board on 29 May 2009 following the Company's acquisition of OSP Limited (formerly Osprey Smaller Companies Income Fund Limited). He is a non-executive director of The Character Group plc and BMO Managed Portfolio Trust PLC. He is also the chief executive of InvaTrust Limited. Mr Harris was previously a non-executive director of Aseana Properties Limited, Chelverton UK Dividend Trust PLC and Chelverton Small Companies ZDP PLC.

Mr Harris is the Chairman of the Board and was a member of the Audit Committee until 1 September 2020.

Brett Miller (*Non-independent Director*)

Mr Miller was appointed to the Board on 30 August 2013. He is a director of the following publicly listed companies (in addition to the Company): KKV Secured Loan Fund Limited, RDL Realisation plc and Secured Income Fund plc. He graduated from the University of the Witwatersrand (South Africa) with a Bachelors degree majoring in law and economics and also holds a law degree from the London School of Economics. He qualified as a solicitor and practiced until December 1997. Mr Miller is head of Compliance, Risk and Governance Oversight and also sits on the risk management committee of MLCM, the Company's AIFM and Manager; he is therefore not independent of the Manager.

Mr Miller was a member of the Audit Committee until 15 January 2019.

Daniel Wright (*Senior Independent Director*)

Mr Wright was appointed to the Board on 29 October 2018. He is the executive chairman of Accrol Group Holdings plc and held a board role at Accrol Group Holdings Limited, prior to its IPO, from July 2014 to June 2016. His previous chairmanships include Vision Support Services Group Limited, a private company that he founded and grew to become Europe's leading distributor of textiles to the hospitality sector. He is also a director of SolasCure Limited. Mr Wright was also previously the founder partner, chief operating officer and head of portfolio at NorthEdge Capital. He has also held previous roles at Cable Partners LLC, Deutsche Morgan Grenfell Private Equity and The Royal Bank of Scotland. Mr Wright qualified as a Chartered Accountant with Arthur Andersen in 1996.

Mr Wright is chairman of the Audit Committee and the Senior Independent Director.

Sir James Waterlow

Sir James was appointed to the Board on 17 August 2020. He has specialised in investment trusts for nearly thirty years, for the past eleven as a partner on the Investment Funds team at N+1 Singer. During his career he has advised approximately thirty investment trust boards and worked on a significant number of transactions, raising over £5 billion for new and existing funds.

Sir James is a member of the Audit Committee.

Board Succession

As noted in the annual report and accounts for the year ended 31 July 2020, Mr Harris has been a member of the Board for more than nine years. The Board are mindful of the need to refresh the Board on a periodic basis and has a succession strategy in place.

Manager

The Company's portfolio is managed by M&L Capital Management Limited. Aside from the Company, the Manager also manages M&M Investment Company Plc ("**MMIC**") and has total funds under management of approximately £375 million as at 17 November 2020. Both the Company's and MMIC's portfolios are invested on a growth focused basis.

Key personnel

The key personnel at the Manager who have responsibility for the day-to-day management of the Company's portfolio are as follows:

Mr M B B Sheppard: Mr Sheppard has been involved in the management of the Company since 2000. Mr Sheppard founded M&L Capital Management Limited in 2015. Since 2001, Mr Sheppard has been involved in a number of funds including Osprey Smaller Companies fund, Director's Dealing Investment Trust plc and the M&L Capital Management Global Funds ICAV. Mr Sheppard qualified as a Chartered Accountant in 1996 with Deloitte & Touche in London. He has previously worked at Hoare Govett and ABN Amro Equities Ltd. He is currently enrolled on courses in the Stage 3 of a BSc (Honours) course at the Open University in Computing & IT.

Mr R J Morgan: Mr Morgan joined MLCM in September 2015 and has been co-manager of the Company since that time. Mr Morgan joined MLCM from Midas Investment Management Ltd. He is currently enrolled on courses in the Stage 2 of a BSc (Honours) course at the Open University in Computing & IT.

Managerial, company secretarial, administration and other arrangements

Delegation of authority

Whilst certain responsibilities are delegated, a schedule of matters specifically reserved for its decision has been adopted by the Board. The Company has delegated the management of the Company's investments to the Manager. Representatives of the Manager attend each Board meeting enabling the Directors to discuss their activities in managing and administering the Company.

Managerial arrangements

M&L Capital Management Limited acts as the Company's AIFM and portfolio manager. The Manager is registered under the AIFM Directive as a full scope UK AIFM and has acted as the Company's full scope alternative investment fund manager since 17 January 2018. The Manager is authorised and regulated by the FCA.

MLCM is controlled by Mark Sheppard. Mr Sheppard is also a director and controller of MMIC, which is the largest Shareholder of the Company, holding 19,588,919 Ordinary Shares (representing 52.38 per cent. of the Company's total issued ordinary share capital) as at 17 November 2020.

The Company and the Manager have entered into a management agreement dated 17 January 2018 and amended on 2 May 2018. The Management Agreement may be terminated by either party on three months' notice or on shorter notice in certain circumstances. The annual management fee which is payable to the Manager in accordance with the Management Agreement is based on the net assets of the Company attributable to Shareholders. The fee payable to the Manager is 0.5 per cent. per annum of the Company's Net Asset Value (the "**Base Fee**"), calculated on the last business day of each calendar month (the "**Calculation Date**"). An uplift of 0.25 per cent. of the NAV will be applied to the Base Fee should the performance of the Company over the 36-month period to the Calculation Date be above that of the Company's benchmark. A reduction of 0.25 per cent. of the NAV will be applied to the Base Fee should the performance of the Company over the 36-month period to the Calculation Date be below that of the Company's benchmark.

In addition to the portfolio management fee set out above, the Manager receives risk management and valuation fee of £59,000 per annum in connection with the duties it undertakes as the Company's AIFM. The Manager is also reimbursed any expenses incurred by it on behalf of the Company. Management fees are calculated and paid monthly.

Further details of the terms of the Management Agreement are set out in paragraph 8.1 of Part 6 of this Prospectus.

Company secretarial arrangements

The Board has appointed Link Company Matters Limited to provide company secretarial services. The Company Secretarial Agreement may be terminated by either party at any time on 12 months' notice or immediately in certain circumstances. The Company Secretary is entitled to receive a quarterly fee, currently £12,108 (plus VAT if applicable), for the provision of company secretarial services to the Company.

Further details of the terms of the Company Secretarial Agreement are set out in paragraph 8.3 of Part 6 of this Prospectus.

Administration arrangements

The Board has appointed Link Alternative Fund Administrators Limited as the Company's administrator to provide fund accounting services to the Company. The Administration Agreement may be terminated by either party on 12 months' notice or immediately in certain circumstances. The Administrator is entitled to receive a monthly fee for its services, currently £8,168 (plus VAT if applicable) as administrator to the Company.

Further details of the terms of the Administration Agreement are set out in paragraph 8.2 of Part 6 of this Prospectus.

Depositary arrangements

Indos Financial Ltd has been appointed as the Company's depositary. The Depositary Agreement provides *inter alia* that the Depositary will carry out the core duties under Article 21 of the AIFM Directive which include cash management, safekeeping of assets and general oversight of the Company's portfolio. The annual fee payable to the Depositary is 0.03 per cent. per annum of net assets, subject to a minimum fee of £2,916 (exclusive of VAT) per month. The Company can terminate the Depositary Agreement by giving three months' prior written notice to the Depositary.

Further details of the terms of the Depositary Agreement are set out in paragraph 8.4 of Part 6 of this Prospectus.

Prime brokerage arrangements

The Company has entered into prime brokerage agreements with J.P.Morgan Securities plc and Morgan Stanley & Co International plc.

Further details of the terms of the prime brokerage agreements are set out in paragraph 8.6 of Part 6 of this Prospectus.

Annual expenses

The Company incurs, and will continue to incur, administrative expenses, including, *inter alia*, Manager's fees, audit fees, Directors' fees, Depositary fees, prime brokerage fees, stock exchange fees, regulatory fees, and printing costs.

It is estimated that the total expenses of the Company for the financial year ending 31 July 2021 will be approximately £2.328 million (including irrecoverable VAT), being 1.03 per cent. of Shareholders' funds as at 31 July 2020.

The ongoing charges ratio of the Company, which includes the Company's management and administrative costs has reduced from 0.93 per cent. per annum as at 31 July 2018 to 0.77 per cent. per annum as at

31 July 2020. It is expected that the ongoing charges ratio will fall further should the Company continue to issue Ordinary Shares.

Accounting policies

The Company's financial statements are prepared in accordance with IFRS and in accordance with the AIC SORP for the financial statements of investment trust companies. The Company allocates its management fees 100 per cent. to revenue.

Corporate governance

The Chairman, the Senior Independent Director and Sir James Waterlow are independent of the Manager and all of the Directors are non-executive. Mr Miller is not considered to be independent of the Manager for the purposes of the Listing Rules as he is head of Compliance, Risk and Governance Oversight at MLCM and he has been a director of M&L Capital Management Global Funds ICAV, a fund to which the Manager provided portfolio management services within the last twelve months.

The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The executive responsibilities for investment management have been delegated to the Manager. There is, therefore, no chief executive officer. Mr Wright was appointed Senior Independent Director in 2018.

The Board is committed to achieving and demonstrating high standards of corporate governance. The Board therefore places considerable emphasis on running the Company in a way it believes is best suited to the successful management of an investment trust on behalf of its Shareholders. In doing so, the Board has considered the principles and recommendations of the UK Code.

The Company complied in its most recent financial year, and continues to comply, with the relevant applicable provisions of the UK Code, except in relation to the following provisions:

- the Company has not appointed a chief executive since it is an investment trust;
- the Articles do not require annual retirement of Directors but the Board has adopted this policy voluntarily;
- given the size and structure of the Company the Board has not appointed a separate management engagement, remuneration or nomination committee;
- the Board considers Mr Harris to be independent notwithstanding that he has served on the Board for more than nine years; and
- the Company does not have an internal audit function since it relies on third party service providers.

The Board

The Board does not consider that the length of time served by a Director is as important as his or her contribution to the running of the Company, or that it necessarily impairs his or her independence. Directors do not serve on the Board for a specified period of time. Each Director will be subject to the election/re-election provisions as set out in the Articles which provide that a Director appointed during the year is required to retire and seek election by Shareholders at the annual general meeting following their appointment. Directors are required to submit themselves for re-election at least once every three years and Directors who have served for more than nine years will be subject to an annual re-election, provided that the Board remains satisfied that the relevant Director's continuing independence is not impaired by his or her length of service. In accordance with the UK Code, all Directors will offer themselves for re-election on an annual basis.

The Board is not controlled by long serving Directors. Mr Harris has served on the Board for more than nine years. Following a formal evaluation, and in the case of Mr Harris notwithstanding his length of service, the Board has concluded that all Directors continue to demonstrate independence of character and judgment (albeit that Mr Miller is non-independent of the Manager) and their skills and experience enhance the collective strength of the Board. The Board believes that none of the other commitments of the Directors interfere with the discharge of their duties to the Company and the Board is satisfied that they are each capable of devoting sufficient time to the Company.

The UK Code provides that the Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors. The Board conducts an annual review of its performance and that of its committees, the Chairman and individual Directors. The performance of each Director and nominations for re-election are discussed by the Board as a whole in the absence of the Director in question.

Audit Committee

The Audit Committee consists of all the Directors save for Mr Miller, who is not independent, and Mr Harris, the Chairman of the Board. It meets at least three times per year. The Audit Committee was chaired by Mr Harris until he stepped down from the role at the annual general meeting held on 15 January 2019 at which point he was succeeded by Mr Wright. Given the small size of the Board, it was considered appropriate for the Chairman to be a member of the Audit Committee as his contributions enhance the operations of the Audit Committee. However, following Sir James Waterlow's appointment on 17 August 2020, Mr Harris stepped down from the Committee on 1 September 2020. The main responsibilities of the Audit Committee include reviewing the accounting policies and significant financial reporting judgments, monitoring the integrity of the Company's financial statements, reviewing the internal control systems and the risks to which the Company is exposed including the Company's risk management systems which allow the Company to identify, measure, manage and monitor all risks on a continuous basis. It is also responsible for making recommendations to the Board regarding the appointment and independence of the Auditors, the objectivity and effectiveness of the audit process, monitoring the non-audit services provided to the Company by its Auditors and approving the financial statements and confirming to the Board that they are fair, balanced and understandable. The Audit Committee also provides a forum through which the Auditors report to the Board. Representatives from the Manager and the Administrator may be invited to attend meetings of the Audit Committee to report on issues as required.

Nomination, management engagement and remuneration committees

The Directors do not feel it necessary to establish a separate remuneration, management engagement or nomination committee at present and the Board as a whole considers the matters which might otherwise be delegated to such committees as part of the agenda of regular Board meetings.

Conflicts of interest

The major Shareholder

The Company's largest Shareholder, MMIC, is controlled by Mark Sheppard (who forms part of the Manager's investment management team) and his immediate family. In addition, Mark Sheppard controls MLCM, the Company's AIFM and portfolio manager. The Board is aware that potential conflicts could arise between the interests of the Company and its Shareholders in general, and the interests of Mark Sheppard, his family and MMIC. The Company has in place a continuing written and legally binding Relationship Agreement with MMIC pursuant to which MMIC has given various undertakings in respect of its relationship with the Company, including an acknowledgement that the Company shall be capable at all times of carrying on its business and decision-making independently of MMIC and its associates, in accordance with the independence provisions set out in Listing Rule 6.5.4R. Since entering into the Relationship Agreement, MMIC has fully complied with the independence provisions included within the agreement. Under the Relationship Agreement, MMIC can appoint non-executive Directors to the Board, provided that the majority of these appointments are deemed to be independent from MMIC and the appointment of all directors are not to the detriment of the Shareholders as a whole.

The Manager

The Manager and its officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. In particular, the Manager may provide investment management, investment advice or other services to other funds that may have similar investment policies to that of the Company.

The Manager will have regard to its obligations under the Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

The Manager has established internal control frameworks to provide reasonable assurances as to the effectiveness of the internal control systems operated on behalf of its respective clients. The Manager reports to the Board on a regular basis with regard to the operation of its internal controls and risk management within its operations in so far as it impacts the Company. In addition, the Manager reports quarterly to the Board on compliance with the terms of its delegated authorities under the Management Agreement and other restrictions determined by the Board.

Reports to Shareholders and net asset values

The annual financial report of the Company is made up to 31 July in each year. The Company's annual financial statements are prepared in accordance with IFRS. Copies of the annual financial report are sent to Shareholders in September of each year along with the notice of annual general meeting of the Company. Shareholders also receive an unaudited interim report covering the first six months of each financial year of the Company.

The NAV per Share is calculated by the Administrator on behalf of the Company in accordance with the Company's accounting policies and is published weekly through a Regulatory Information Service. The calculation of the NAV per Share will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be announced through a Regulatory Information Service.

The Company's website (www.mlcapman.com/manchester-london-investment-trust-plc/) provides regulatory documents relating to the Company together with other helpful information on the Company for investors and prospective investors.

Taxation

The Company has been approved by HMRC as an investment trust. The Directors believe that the affairs of the Company have been conducted so as to continue to satisfy the conditions to qualify as an investment trust under section 1158 of the Tax Act and the Company will continue to be exempt from UK taxation on capital gains arising in its portfolio. The Company will, however, be liable to UK corporation tax on its income in the normal way, with dividend income generally being exempt from corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, and potentially foreign taxes at varying rates, but double taxation relief may be available on income that is also subject to UK tax.

A guide to the general UK taxation position of Shareholders in respect of their investment in Ordinary Shares as at the date of this document is set out in Part 5 of this document. **If you are in any doubt as to your taxation position, or are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.**

Market Abuse Regulation and the Disclosure Guidance and Transparency Rules

As a company whose shares are admitted to trading on the Main Market, the Company complies with all of the provisions of the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules which are applicable to it. The Directors have adopted a share dealing code that is compliant with the Market Abuse Regulation. The Board is responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors and other persons discharging managerial responsibilities ("PDMRs").

The Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) must notify the Company if the proportion of the Company's voting rights which they then hold directly or indirectly as a shareholder or through a direct or indirect holding of certain financial instruments reaches, exceeds or falls below thresholds of three per cent., four per cent., five per cent., six per cent., seven per cent., eight per cent., nine per cent. and ten per cent. and each one per cent thereafter up to 100 per cent.

PART 3

DETAILS OF THE SHARE ISSUANCE PROGRAMME

General

New Shares will be issued under this Prospectus from time to time pursuant to the Share Issuance Programme for the purpose of seeking to meet market demand for the Ordinary Shares. New Shares to be issued pursuant to this Prospectus will be issued only:

- at, or at a premium to, the then prevailing NAV per Share;
- to meet demand from investors; and
- when the Directors believe that it is in the best interests of the Company and its Shareholders to do so.

The Directors intend to apply the net proceeds of any Issue in accordance with the Company's investment policy. In addition, 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 twelve months, 20 per cent. or more of such company's shares then the company concerned is required to issue a prospectus. In the light of the aggregate number of Ordinary Shares issued in the 12 months preceding the date of this Prospectus and anticipated future demand, the Board believes the Company is likely to exceed the rolling twelve months' 20 per cent. limit on applications for admission to trading. Accordingly, this Prospectus is being produced to allow the Company to issue New Shares to satisfy demand from investors in the secondary market.

New Shares may be issued pursuant to the Share Issuance Programme only during the period commencing at 8.00 a.m. on 24 November 2020 and ending at 5.00 p.m. on 18 November 2021. The Board intends to monitor the market demand for the Ordinary Shares and the premium at which they trade. Accordingly, the Company may, following the expiry of this period, publish further prospectuses as and when required under the Prospectus Regulation Rules and seek to refresh the relevant Shareholder authorities to allow it to continue to issue Ordinary Shares.

The Company is permitted to issue up to 40 million New Shares in aggregate under the Share Issuance Programme. To become effective, each Issue under the Share Issuance Programme will require the following events to occur:

- (i) the Admission Condition being satisfied in respect of the relevant Issue; and
- (ii) a valid supplementary prospectus having been published by the Company if such is required by the Prospectus Regulation Rules.

The Issues will not be underwritten.

As at 17 November 2020, the Company had the authority to issue up to 52,045,244 New Shares for cash without offering such shares to existing Shareholders on a pre-emptive basis. The Directors will have the ability to issue up to 40 million New Shares under the Share Issuance Programme.

The New Shares will rank *pari passu* in all respects with the existing issued Ordinary Shares (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant New Shares).

The Directors believe that the typical investors for whom an investment in the Company is intended are professionally advised private investors, institutional investors or those individuals who are prepared to tolerate a degree of risk or potential for loss and investing for capital growth from investments.

In the event that the maximum number of New Shares (being 40 million New Shares) is issued under the Share Issuance Programme, the existing Ordinary Shares in issue as at 17 November 2020 would represent 48.3 per cent. of the enlarged issued share capital.

MLCM, MMIC or their associates may acquire shares under the Share Issuance Programme. Any such acquisitions would be assessed as a related party transaction under the Listing Rules at the time and, if required under the Listing Rules, Shareholder approval would be sought.

Issue Price

The Board is responsible for the determination of the Issue Price. The New Shares will be issued at, or at a premium to, the then prevailing NAV per Share (any such premium being to cover share issuance costs, including listing fees and any broker commissions, but not the Documentation Costs). Any premium to the NAV per Share at which New Shares may be issued will be determined by the Board at its discretion at the time of Issue.

For the purposes of determining the Issue Price for each Issue, the NAV per Share will be calculated in accordance with the Company's normal accounting policies. The Issue Price of each Issue will be announced through a Regulatory Information Service as soon as practicable following each Issue. No expenses or tax in connection with any Issue will be charged directly to any investor.

Listing and dealing

Issues will be made only in the circumstances described in the paragraph headed "General" above. Where Issues are made, it is expected that the relevant New Shares will be admitted to the premium segment of the Official List and to trading on the Main Market approximately three Business Days following the Board's resolution to allot the relevant New Shares. No dealings in the relevant New Shares will commence before the relevant date of Admission.

New Shares issued pursuant to the Issues will be issued in registered form and may be held either in certificated form or settled through CREST. It is expected that definitive certificates in respect of New Shares will, where requested, be despatched by post within two Business Days following the issue of the relevant New Shares. Temporary documents of title will not be issued. Pending despatch of such certificates, transfers will be certified against the register. Dealings in New Shares issued under the Share Issuance Programme are expected to commence at the earliest at 8.00 a.m. on 24 November 2020 and no later than 5.00 p.m. on 18 November 2021. An Issue cannot be revoked after dealings in the relevant New Shares have commenced. The ISIN for the Ordinary Shares is GB0002258472.

Dilution

Existing Shareholders are not obliged to participate in the Share Issuance Programme. If an existing Shareholder does not acquire any New Shares under the Share Issuance Programme, then such Shareholder will suffer dilution to the percentage of the issued share capital of the Company that their existing holding represents, based on the number of New Shares issued at the relevant time. Assuming the Share Issuance Programme is subscribed as to 40 million New Shares, existing Shareholders who do not acquire any of those New Shares (and do not otherwise acquire Ordinary Shares) will suffer a dilution of approximately 51.7 per cent. to their existing percentage holdings in the Company.

Costs of the Issues

Assuming that 3 million New Shares available for issue under the Share Issuance Programme are issued by way of a single Issue at an Issue Price of 633.3 pence per Share (being the NAV per Share calculated as at close of business on 17 November 2020), approximately £19.0 million in aggregate would be raised under the Issues. On these assumptions, the total costs and expenses of and incidental to the Issues (including the Documentation Costs) to be borne by the Company, would be approximately £127,916. This would represent 0.67 per cent. of the total proceeds of the Issues and the net proceeds available for investment by the Company would be approximately £18.9 million.

PART 4

FINANCIAL INFORMATION (INCLUDING PORTFOLIO INFORMATION)

1. Introduction

The statutory accounts of the Company for the two financial years ended 31 July 2019 and 31 July 2020 were audited by Deloitte LLP whose reports were unqualified and did not contain any statement under section 498(2) or (3) of the Companies Act.

The statutory accounts of the Company for the two financial years ended 31 July 2019 and 31 July 2020 were prepared in accordance with IFRS.

Copies of the statutory accounts of the Company for the two financial years ended 31 July 2019 and 31 July 2020 are available for inspection on the Company's website at www.mlcapman.com/manchester-london-investment-trust-plc/.

2. Historical financial information

Historical financial information relating to the Company on the matters referred to below is included in the published audited annual report and accounts of the Company for the two financial years ended 31 July 2019 and 31 July 2020 as set out in the table below and is expressly incorporated by reference into this document. The non-incorporated parts of those reports and accounts of the Company are either not relevant to investors or covered elsewhere in this document.

<i>Nature of Information</i>	<i>Annual report and accounts for the year ended 31 July 2019 Page No.</i>	<i>Annual report and accounts for the year ended 31 July 2020 Page No.</i>
Performance Highlights	3	3
Chairman's Statement	4	4
Manager's Review	5	5
Portfolio Analysis	7-10	7-10
Independent Auditor's Report	48	50
Income Statement	60	62
Statement of Changes in Equity	61	63
Statement of Financial Position	62	64
Cash Flow Statement	63	65
Notes to the Financial Statements	64	66

3. Selected financial information

Selected historical financial information relating to the Company which summarises the financial condition of the Company for the two financial years ended 31 July 2019 and 31 July 2020 is set out in the following table. The information regarding the Company in this paragraph 3 has been prepared by the Company and has been extracted directly from the historical financial information referred to in paragraph 2 of this Part 4.

	<i>For the year ended 31 July 2019</i>	<i>For the year ended 31 July 2020</i>
Net asset value		
Number of Ordinary Shares in issue	29,363,930	36,135,738
Net assets (£'000)	166,981	225,933
Net asset value per Ordinary Share (p)	568.66	625.23
Ordinary Share price (p)	538.00	630.00
Income		
Total investment income before operating expenses (£'000)	749	647
Net return attributable to equity shareholders (£'000)	15,900	24,037
Performance fee (accrued/paid) (£'000)	n/a	n/a
Manager's fee charged to revenue (accrued/paid) (£'000)	1,115	1,470
Any other material fees (accrued/paid) to service providers (£'000)	406	555
Revenue return per Ordinary Share (p)	(3.17)	(5.47)
Dividend per Ordinary Share (p)	14.00	14.00
Ongoing charges		
As a percentage of average total Shareholders' funds (%)	0.83	0.77
Portfolio summary		
Shareholders' funds (£'000)	166,981	225,933

4. Operating and financial review

A description of changes in the performance of the Company, both capital and revenue, and changes to the Company's portfolio of investments during the two financial years ended 31 July 2019 and 31 July 2020 is set out in the sections headed "Chairman's Statement", "Manager's Review" and "Principal Portfolio Holdings" in the published annual report and accounts of the Company as follows:

<i>Nature of Information</i>	<i>Annual report and accounts for the year ended 31 July 2019 Page No.</i>	<i>Annual report and accounts for the year ended 31 July 2020 Page No.</i>
Chairman's Statement	4	4
Manager's Review	5	5
Principal Portfolio Holdings	9	9

5. Significant change

Since 31 July 2020 (being the end of the last financial period of the Company for which financial information has been published), there has been no significant change in the financial position of the Company.

6. Net proceeds and expenses of the Issues

Assuming that 3 million New Shares available for issue under the Share Issuance Programme are issued by way of a single Issue at an Issue Price of 633.3 pence per Share (being the NAV per Share calculated as at close of business on 17 November 2020), approximately £19.0 million in aggregate would be raised under

the Issues. On these assumptions, the total costs and expenses of and incidental to the Issues (including the Documentation Costs) to be borne by the Company would be approximately £127,916. This would represent 0.67 per cent. of the total proceeds of the Issue and accordingly the net proceeds available for investment by the Company would be approximately £18.9 million. These net proceeds would be invested in accordance with the Company's investment policy.

7. Capitalisation and indebtedness

The following table sets out the capitalisation and indebtedness of the Company (distinguishing between guaranteed and unguaranteed, and secured and unsecured, indebtedness) as at 31 October 2020.

	£'000
Total current debt	
– Guaranteed	–
– Secured	13,390
– Unguaranteed/unsecured	–
Total non-current debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Shareholders' equity	
– Share capital	9,350
– Legal reserves (excl. revenue reserves)	114,890
– Other reserves	0
Total	<u>137,630</u>

The information in the table above is unaudited financial information extracted from internal management accounting records of the Company as at 31 October 2020. The secured current debt balance shown above is secured against cash held at the Prime Brokers.

The following table shows the Company's net indebtedness as at 31 October 2020. The information in the following table is unaudited financial information extracted from internal management accounting records of the Company as at 30 September 2020.

	(£'000)
A. Cash	60,636
B. Cash equivalent	–
C. Trading securities	–
D. Liquidity (A+B+C)	60,636
E. Current financial receivable	1,202
F. Current bank debt	–
G. Current portion of non current debt	–
H. Other current financial debt	13,390
I. Current financial debt (F+G+H)	13,390
J. Net current financial indebtedness (I-E-D)	(48,448)
K. Non-current bank loans	–
L. Bonds issued	–
M. Other non-current loans	–
N. Non-current financial indebtedness (K+L+M)	–
O. Net financial indebtedness (J+N)	(48,448)

8. Working capital

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next 12 months from the date of this Prospectus).

9. NAV per Share

The unaudited NAV per Share as at 17 November 2020 was 633.3 pence including current income.

10. Capital resources

The Company had 37,398,238 Ordinary Shares in issue as at 17 November 2020. The Company does not hold any Ordinary Shares in treasury.

The Company's source of funds is its income from its investment portfolio which was approximately £647,000 for the 12 months to 31 July 2020. The Company's principal expenditure is the fees payable to the Manager, the Depositary, the Administrator, the Company's other advisers and the Directors. Its total expenditure for the 12 month period to 31 July 2020 was £2,025,000. These annual operating expenses are denominated in Sterling and US dollars however the Company may hold cash resources in other currencies such as Hong Kong dollars and Euros.

Further information on liquidity arrangements can be found in the audited annual report and accounts of the Company for the financial year ended 31 July 2020 in the section titled 'Liquidity Arrangements' within the Strategic Report and in Note 16 to the Company's financial statements within the Liquidity Risk sub-section.

11. Analysis of investment portfolio

As at close of business on 17 November 2020, the Company's portfolio comprised investments with an aggregate unaudited value, calculated in accordance with the Company's accounting policies, of approximately £241.0 million.

The following table shows the distribution of the portfolio by asset class as at 17 November 2020.

<i>By asset class</i>	<i>Percentage of portfolio (%)</i>
Equities	61.6
Derivatives	38.6
Cash	(0.2)
	<hr/>
	100.00
	<hr/>

The following table shows the distribution of the portfolio by sector as at 17 November 2020.

<i>By sector</i>	<i>Percentage of portfolio (%)</i>
Information technology	28.8
Communication services	32.5
Consumer discretionary	26.0
Other sectors	12.7
	<hr/>
	100.00
	<hr/>

The following table shows the distribution of the portfolio by domicile of holding as at 17 November 2020.

<i>By domicile of holding</i>	<i>Percentage of portfolio (%)</i>
United States	69.2
China/Hong Kong	24.3
Ireland	3.9
United Kingdom	1.7
Netherlands	0.9
	100.00

The Company's top 10 equity investments as at 17 November 2020, were as follows:

	<i>Valuation (£'000s)</i>	<i>Percentage of portfolio (%)</i>
MICROSOFT CORP	33,878	14.1
AMAZON.COM INC	33,073	13.7
ALIBABA GROUP HOLDING LTD	27,182	11.3
ALPHABET INC	22,682	9.4
ADOBE INC	18,637	7.7
TENCENT HOLDINGS LTD	17,129	7.1
FACEBOOK INC	16,061	6.7
SALESFORCE.COM INC	13,611	5.7
ISHARES CHINA BOND ETF	11,588	4.8
ISHARES TECH SOFTWARE ETF	10,624	4.4
Total	204,465	84.9

The information in this paragraph 11 is unaudited information on the Company, which has been extracted from internal management accounting records of the Company and has not been reported on by an accountant.

PART 5

TAXATION

The information contained in this Part 5 relating to taxation is a summary of the UK taxation matters which the Directors consider should be brought to the attention of prospective investors. The following statements are intended as a general guide only and do not constitute legal or tax advice to any Shareholder or prospective Shareholder or investor. The information below is based on current UK taxation law and HMRC published practice in force as at the date of this Prospectus which may be subject to change (potentially with retrospective effect) and relates only to the position of Shareholders who are beneficial owners of their Ordinary Shares, are resident in the UK for taxation purposes and hold their Ordinary Shares as an investment. The information may not relate to certain categories of Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Ordinary Shares in connection with their employment who may be taxed differently and are not considered in this Part 5. Prospective investors should consult their own professional advisers on the potential tax consequences of acquiring, holding or selling Ordinary Shares in the Company.

1. The Company

It is the intention of the Directors to continue to conduct the affairs of the Company so as to satisfy the conditions for approval as an investment trust under section 1158 of the Tax Act. The Company has been approved as an investment trust pursuant to the Investment Trust (Approved Company) (Tax) Regulations 2011, which came into force on 1 January 2012, and have applied to the Company from its accounting period beginning 31 July 2012. The Company is expected to continue to have investment trust status in each accounting period going forward and is expected to be exempt from UK taxation on its capital gains, other than to the extent that the Company commits a serious breach of one or more of the conditions for qualification as an investment trust. In order to maintain its investment trust status for an accounting period, the Company must not, *inter alia*, be a close company as defined in section 439 of the Tax Act at any time in that accounting period. The Directors do not anticipate that the Company will be a close company as defined in section 439 of the Tax Act.

The Company will be liable to UK corporation tax on its income profits in the normal way, with dividend income generally being exempt from UK corporation tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, and potentially foreign taxes, at varying rates, but double taxation relief may be available on income that is also subject to UK tax. Capital gains tax derived by the Company may be subject to capital gains taxes in the overseas investee jurisdictions, at varying rates, but double taxation relief may be available.

2. Shareholders

2.1 Taxation of capital gains

Individual Shareholders resident in the UK for taxation purposes may, depending upon their personal circumstances, be liable to UK capital gains tax or, in the case of corporations, UK corporation tax, on chargeable gains arising from the sale or other disposal (which includes disposal upon a winding up) of their Ordinary Shares. For fiscal year 2020/21, a disposal by an individual Shareholder, resident in the UK for taxation purposes, of their Ordinary Shares will be subject to UK capital gains tax at a rate of tax of 20 per cent. where the individual pays UK income tax at the higher or additional rates of tax or (to the extent only that) the individual Shareholder pays income tax at the basic rate of UK income tax and the gain exceeds the unused portion of the individual Shareholder's basic rate band; otherwise a capital gains tax rate of 10 per cent. applies. An individual may be able to claim certain reliefs (including the Annual Exempt Amount of £12,300 for the fiscal year 2020/21) subject to their personal circumstances.

Shareholders which are corporations resident in the UK will no longer benefit from an indexation allowance which, in general terms, was used to increase the tax base cost of an asset in accordance with changes in the UK Retail Prices Index. Under measures enacted in the Finance Act 2018, indexation allowance (which applied solely to corporate bodies and not individuals from 6 April 2008) was frozen as at 31 December 2017 such that for disposals on or after 1 January 2018 the indexation allowance will only be calculated up to 31 December 2017, irrespective of the date of disposal.

Therefore, for chargeable assets acquired after 31 December 2017, indexation allowance will no longer be available. Indexation allowance may not create or increase an allowable loss.

Shareholders who are not resident in the UK for taxation purposes will not normally be liable to capital gains tax in the UK arising from the sale or other disposal of their Ordinary Shares unless (in the case of a corporate shareholder) those Ordinary Shares are held through a UK branch or agency, although they may be subject to foreign taxation depending upon their personal circumstances.

2.2 *Taxation of dividends*

The Company has to date not elected into the streaming regime in relation to dividends paid by the Company and therefore no part of any dividend received is expected to be treated as interest.

Individual Shareholders resident in the UK for taxation purposes are entitled to an annual tax-free dividend allowance (£2,000 for the fiscal year 2020/21). Dividends received in excess of this allowance will be taxed, for the fiscal year 2020/21 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers). Dividends received by pension funds with tax exempt status and ISAs are not taxable.

In general, UK resident corporate Shareholders (other than dealers and certain insurance companies) are not liable to UK corporation tax in respect of dividends, except in certain circumstances.

Non-UK resident Shareholders may be subject to tax on dividend income under any law to which they are subject outside the UK. Under current legislation, no withholding tax will be deducted from any dividends paid by the Company.

3. **Stamp duty and stamp duty reserve tax (“SDRT”)**

3.1 *Allotment of New Shares*

The allocation, allotment and issue of the New Shares will not give rise to a liability to stamp duty or SDRT.

3.2 *Conveyance or transfer of Ordinary Shares*

Any subsequent conveyance or transfer on sale of Ordinary Shares in certificated form will usually be subject to stamp duty on the instrument of transfer at a rate of 0.5 per cent. of the amount or value of the consideration (the amount payable being rounded up, if necessary, to the nearest multiple of £5). An exemption from stamp duty is available on an instrument transferring shares where the amount or value of the consideration is £1,000 or less, and it is certificated on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

3.3 *Transfer of Ordinary Shares through CREST*

A transfer of Ordinary Shares effected on a paperless basis through CREST (where there is a change in the beneficial ownership of the shares) will generally be subject to SDRT (rather than stamp duty) at the rate of 0.5 per cent. (the amount payable being rounded up to the nearest penny) of the value of the consideration given.

3.4 *Depository Receipts*

Special rules apply where shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depository receipts within section 67 or section 93 of the Finance Act 1986 or a person providing a clearance service within section 70 or section 96 of the Finance Act 1986, under which SDRT or stamp duty may be charged at the higher rate of 1.5 per cent. of the value of the consideration given or, in some cases, the value of the shares. Following litigation, however, HMRC have confirmed that they will no longer seek to apply the 1.5 per cent. SDRT charge on the issue of shares into a clearance service or depository receipt arrangement on the basis that the charge is not compatible with EU law. HMRC's view is that the 1.5 per cent. SDRT or stamp duty charge will, however, continue to apply to transfers of shares into a clearance service or depository receipt arrangement unless they are an integral part of an issue of share capital. This view is currently being challenged in further litigation.

4. ISAs

New Shares will qualify for the purposes of an ISA, provided that they are acquired by an ISA manager in the market. Ordinary Shares subscribed for directly pursuant to an Issue will not qualify for an ISA. Direct transfers to an ISA will render New Shares ineligible for ISAs.

For the 2020/21 tax year ISAs have an overall subscription limit of £20,000, all of which can be invested in stocks and shares, for which New Shares will qualify.

5. SIPPs and SSASs

Ordinary Shares will be permitted investments for SIPPs and SSASs.

PART 6

GENERAL INFORMATION

1. Incorporation and general

- 1.1 The Company was incorporated and registered in England and Wales on 29 April 1971 under the Companies Acts 1948 to 1967 as Clangrove Limited with registered number 01009550. The Company's name was changed to Manchester & London Investment Trust Limited on 13 July 1971 and the Company subsequently obtained Inland Revenue approval as an investment trust. The Company was re-registered under the Companies Acts 1948 to 1981 as a public limited company on 7 October 1983 with the name Manchester and London Investment Trust public limited company.
- 1.2 The Company operates under the Companies Act and regulations made under the Companies Act. Its registered office is at 12a Princes Gate Mews, London, England, SW7 2PS. The Company's website is at www.mlcapman.com/manchester-london-investment-trust-plc/. Information on the website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus. Save for its compliance with the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the Prospectus Regulation Rules, the Company is not a regulated entity.
- 1.3 In accordance with the Companies Act, the objects of the Company are unrestricted.
- 1.4 The Manager is a company that was incorporated in England and Wales under the Companies Act 1985 on 13 October 2000 with registered number 04089418. The Manager's registered office is at 12a Princes Gate Mews London SW7 2PS. The Manager is authorised and regulated by the FCA with firm reference number 672181 and has experience of providing investment management services.
- 1.5 Indos Financial Limited is the Company's Depository. The Depository is a company that was incorporated in England and Wales under the Companies Act on 16 October 2012 with registered number 08255973. The Depository's LEI is 213800BJO13VT25C5333 and its registered office is at 54 Fenchurch Street, London EC3M 3JY. The Depository is authorised by the PRA and regulated by the FCA and PRA with firm reference number 602528.

2. Share capital and indebtedness

- 2.1 The issued share capital of the Company (all of which issued Ordinary Shares are fully paid-up) as at the date of this document and immediately following Admission (assuming the maximum number of New Shares are issued) will be as follows:

	<i>No. of Ordinary Shares</i>	<i>Nominal value per Ordinary Share</i>
As at the date of this document	37,398,238	25 pence
Immediately following Admission of all of the New Shares	77,398,238	25 pence

As at the date of this Prospectus, no Ordinary Shares are held by the Company in treasury. The Company has no authorised share capital.

- 2.2 The following changes have occurred in the share capital of the Company between 1 August 2018 and 31 July 2020.
- 2.2.1 in the financial year from 1 August 2018 to 31 July 2019 the Company issued 4,891,945 Ordinary Shares for a consideration of £24,604,000; and
- 2.2.2 in the financial year from 1 August 2019 to 31 July 2020 the Company issued 6,771,808 Ordinary Shares for a consideration of £39,938,000.

As at 1 August 2018, the Company had 24,471,985 Ordinary Shares in issue and, as at 31 July 2020, the Company had 36,135,738 Ordinary Shares in issue. Since 1 August 2020, the Company has issued a further 1,262,500 Ordinary Shares.

- 2.3 No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 2.4 At the general meeting of the Company held on 2 November 2020, the Directors were authorised as follows:
- 2.4.1 in addition to all existing authority, generally and unconditionally, pursuant to section 551 of the Companies Act, to allot Ordinary Shares of 25 pence each in the capital of the Company, up to an aggregate nominal amount of £10,000,000 (such authority to expire (unless previously revoked, varied or renewed by the Company in general meeting) on 31 December 2021);
- 2.4.2 in addition to all existing authority pursuant to sections 570 and 573 of the Companies Act, to allot Ordinary Shares for cash 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, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power, and the Directors may allot Ordinary Shares or sell Ordinary Shares from treasury in pursuance of such an offer or agreement as if such power had not expired; and
- 2.5 The disapplication of statutory pre-emption rights in the terms provided under the special resolutions noted at paragraph 2.4.2 above gives the Company the flexibility to allot and issue Ordinary Shares or resell any Ordinary Shares which it holds in treasury for cash without first being required to offer such Ordinary Shares to existing Shareholders in proportion to their existing holdings.
- 2.6 The provisions of section 561 of the Companies Act, which confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities which are to be paid up in cash, apply to the unissued capital of the Company except as referred to in paragraph 2.4.2 above.
- 2.7 The Company has authority to buyback up to 5,416,747 Ordinary Shares. As at 17 November 2020, the Company has not purchased any Ordinary Shares pursuant to this authority.

3. Articles

The Ordinary Shares (which at the date of this Prospectus are the only class of share in issue of the Company) have attached thereto the respective rights and privileges and are subject to the respective limitations and restrictions set out in this paragraph 3. The Articles contain provisions, *inter alia*, to the following effect:

3.1 Objects

The Company's memorandum of association and Articles do not limit the objects of the Company.

3.2 Votes of members

Subject to any terms as to voting upon which any shares may have been issued or may for the time being be held, or any suspension or abrogation of voting rights pursuant to the Articles (as principally described in paragraphs 3.3 and 3.8 below), at a general meeting of the Company:

- (a) on a show of hands: (i) every member present in person shall have one vote; (ii) every proxy present who has been duly appointed by a member shall have one vote unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution; and (iii) every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to; and

- (b) on a poll, every member present in person or by duly appointed proxy or corporate representative shall have one vote for every share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made.

In the case of joint holders of a share, the vote of the senior 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 seniority shall be determined by the order in which the names of the holders stand in the Company's register of members.

3.3 *Restrictions on voting*

Unless the Board otherwise determines, no member shall be entitled (in respect of any share held by him) to be present or to vote, either in person or by proxy, at any general meeting of the Company or at any separate meeting of the holders of any class of shares or on any poll, or to exercise any other rights conferred by membership in relation to any such meeting or poll if any calls or other monies due and payable in respect of such share remain unpaid. Such restrictions shall cease to apply on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of such non-payment.

A member of the Company shall not, if the Directors determine, be entitled to attend or to vote, either in person or by representative or proxy, at any general meeting of the Company or at any separate meeting of the holders of any class of shares, or on any poll, or to exercise any other right conferred by membership in relation to any such meeting or poll if the member, or another person appearing to be interested in the relevant shares held by the member, has failed to comply in relation to any shares held by the member with a notice requiring disclosure of interests in shares given under Article 63 of the Articles and in accordance with section 793 of the Companies Act within such time as the Directors shall determine.

3.4 *Dividends*

Subject to the provisions of the Companies Act and the Articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests in the profits of the Company, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Companies Act, the Board may declare or pay such interim dividends (including any dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If the Company's share capital is divided into different classes, the Board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment any preferential dividend is in arrear.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest as against the Company unless otherwise provided by the rights attached to the shares.

The Board may deduct from any dividend or other monies payable to any member on or in respect of a share all sums of money (if any) as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company held by him.

If cheques, warrants or orders for dividends or other monies payable in respect of a share sent by the Company to the person entitled to it are returned to the Company or left uncashed on two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder, the Company shall not be obliged to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

All dividends that remain unclaimed for a period of twelve years after having first been declared or become due for payment shall be forfeited and cease to remain owing by the Company.

3.5 *Return of capital*

If the Company is wound up (whether the liquidation is voluntary, under supervision of the court or by the court), the liquidator may, with the authority of a special resolution and any other sanction required by law, divide among the members in kind the whole or any part of the assets of the Company. For this purpose, the liquidator may set such value as he considers fair on any one or more class or classes of property, and may determine, on the basis of such valuation, how such division shall be carried out as between members or classes of members, but if any such division is otherwise than in accordance with the existing rights of members, every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with section 110 of the Insolvency Act 1986. The liquidator may, with the same authority, transfer any part of the assets to trustees on such trusts for the benefit of members as the liquidator, with the same authority, thinks fit. The liquidator shall not, however, (except with the consent of the member concerned) distribute to a member any asset to which there is attached a liability or potential liability for the owner.

3.6 *Variation of rights*

Subject to the provisions of the Companies Act, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with the provisions of the Articles. The quorum for such a separate meeting shall be two persons present in person holding or representing by proxy at least one-third in nominal value of the issued shares of the relevant class. The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to such shares, be deemed to be varied or abrogated by the creation or issue of shares ranking *pari passu* with or subsequent to them.

3.7 *Transfer of shares*

Subject to the restrictions set out in this paragraph, (a) any member may transfer all or any of his uncertificated shares by means of the CREST system in such manner provided for, and subject as provided in the CREST Regulations and the CREST Rules; and (b) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve.

The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Company's register of members in respect of it.

The Board may in its absolute discretion (but giving reason(s) for a refusal to register shares together with, if required, providing such further information as the transferee may reasonably request) refuse to register any transfer of any share which is not a fully paid share, provided that where any such shares are admitted to trading on a market of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

The Board may refuse to recognise any instrument of transfer in respect of any share in certificated form unless: (a) it is duly-stamped, is deposited at the Company's registered office or such other place as the Board may appoint, and (except in the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange where a certificate has not been issued in respect of the shares) is accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (b) it is in respect of only one class of shares.

The Board may also refuse to register a transfer of any share (whether in certificated form or not and whether fully paid or not) to more than four persons to be held jointly by them.

The Board may also, subject to giving reason(s) together with, if required, such further information as the transferee may reasonably request, refuse to register a transfer of shares in uncertificated form in such other circumstances as may be permitted by the CREST Regulations and the requirements of

CREST provided that such restrictions do not prevent any dealing in the shares from taking place on an open and proper basis.

The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests in shares, decline to register a transfer in respect of shares which are the subject of a statutory notice and in respect of which the required information has not been received by the Company within such period as the Directors may determine.

Save as aforesaid and save as discussed in paragraph 3.11 below, the Articles contain no general restrictions as to the free transferability of fully paid shares.

3.8 *Alteration of capital and purchase of shares*

The Company may alter its share capital and purchase its shares in any way that is permitted by the Companies Act.

3.9 *General meetings*

Annual general meetings

The Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Act.

Convening of general meetings

Any general meeting other than an annual general meeting shall be called a general meeting. The Board may convene a general meeting of the Company whenever it thinks fit and must do so immediately on receipt of a requisition from members in accordance with the Companies Act, and, in default, such meeting may be convened by requisitionists as provided in the Companies Act.

Electronic meetings

The Board may enable persons entitled to attend and participate in a general meeting to do so (wholly or partly) by simultaneous attendance and participation by means of an electronic facility or facilities. A general meeting may be virtual-only if attendees participate only by way of an electronic facility, or may be held on a hybrid basis whereby some attendees attend in person at a physical location and others attend remotely using an electronic facility. Alternatively, a general meeting may be held at a physical location only with no remote participation by electronic facility.

Notice of general meetings

An annual general meeting shall be convened by not less than 21 clear days' notice in writing. All other general meetings shall also be convened by not less than 21 clear days' notice in writing unless the Company offers members an electronic voting facility for the meeting and a special resolution reducing the period of notice to not less than 14 clear days has been passed in which case a general meeting may be convened by not less than 14 clear days' notice in writing.

Subject to the provisions of the Companies Act, a general meeting may be called by shorter notice if it is so agreed: (a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The notice of a general meeting shall include such statements as may be required by the Companies Act and shall in any event specify, as determined by the Board: (a) whether the meeting is an annual general meeting or a general meeting; (b) the place, the date and the time of the meeting; (c) the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be entitled to do so by simultaneous attendance and participation at a physical place or places anywhere in the world determined by the Board, or by means of an electronic facility or facilities determined by the Board, or partly in one way and partly in another, and any access, identification and security arrangements determined by the Board; (d) if the meeting is convened to consider a special resolution, the intention to propose the resolution as such; and (e) that a member

entitled to attend, vote and speak is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and speak at the meeting and that a proxy need not also be a member.

Notice of every general meeting shall be given to the members (other than any who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the directors of the Company and to the Company's auditors.

Postponement of general meetings

If, after the sending of a notice of general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held, the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold the meeting on the date or at the time or at any place specified in the notice calling the general meeting and/or by means of an electronic facility specified in the notice, the Board may postpone the general meeting to another date, or time and/or change the electronic facility and/or place of the meeting. When a general meeting is so postponed, notice of the date, and time and the means of attendance and participation (including any place or places and/or electronic facility) at the postponed meeting shall be given in such manner as the Board may, in its absolute discretion, determine.

Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be two members present in person (including by means of an electronic facility or facilities) or by proxy and entitled to vote.

If a quorum is not present within 15 minutes (or such longer interval as the chairman of the meeting in his absolute discretion thinks fit) from the time appointed for the commencement of the meeting, or if, during a meeting, a quorum ceases to be present, the meeting: (a) if convened by or on the requisition of members, shall be dissolved; and (b) in any other case, it shall stand adjourned to such time, with such means of attendance and participation (including at such place or places and/or by means of such electronic facility) as the chairman of the meeting may determine, provided that the adjourned meeting shall be held at least 14 days after the date of the original meeting (or if that day is a public holiday, then to the next business day following such public holiday), and no notice of such adjourned meeting need be given. At any such adjourned meeting the quorum shall be one member present in person or by proxy and entitled to vote (whatever the number of shares held by him) and, if a quorum is not present within 15 minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the commencement of the meeting, or if, during the meeting, a quorum ceases to be present, the adjourned meeting shall be dissolved.

Chairman

The chairman (if any) of the Board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither is present within 15 minutes after the time appointed for holding the meeting, or neither is willing to act as such, the directors of the Company present shall select one of their number to be chairman, and if only one director is present and willing to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

Directors entitled to attend and speak

A director of the Company shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of the Company even though he is not a member.

Adjournment

The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn any meeting from time to time or sine die and from place to place, which place or places may include electronic facilities. Where, in the opinion of the chairman, it is not practicable to conduct the business for which the meeting was called and it is not practicable to

ascertain the views of the meeting on the question of an adjournment, the chairman may adjourn the meeting to such place, which place or places may include electronic facilities, and to such time as the chairman may reasonably determine.

Without prejudice to any other power which he may have under the Articles or at common law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that: (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or (b) the conduct of persons present prevents or is likely to prevent the proper and orderly conduct of the meeting; or (c) it has become necessary to ensure that the business of the meeting is properly disposed of.

When a meeting is adjourned *sine die*, the time and place or places, which place or places may include electronic facilities, for the adjourned meeting shall be fixed by the Board. When a meeting is adjourned for thirty days or more or *sine die*, seven days' notice at the least of the adjourned meeting shall be given in like manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least 7 clear days' notice specifying the place, the day and the time of the adjourned meeting and the general nature of the business to be transacted shall be given to the members (other than those who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), the directors and the auditors. In all other cases, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place. All business conducted at a general meeting up to the time of any adjournment shall be valid, save that the chairman of the meeting may specify that only the business conducted at a meeting up to a point in time which is earlier than the time of the adjournment is valid if, in the chairman's opinion, to do so would be more appropriate.

Method of voting and demand for poll

A resolution put to the vote at a general meeting held wholly or partly by means of an electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting.

At any general meeting held wholly at a physical place or places, a resolution put to the vote of the meeting or any question submitted to a general meeting shall be determined in the first instance by a show of hands of the members present in person but, subject to the provisions of the Companies Act, a poll may be demanded (before or upon the declaration of the result of the show of hands) by: (a) the chairman of the meeting; (b) not less than five members present in person or by proxy and entitled to vote at the meeting; (c) a member or members present in person or by proxy representing in the aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or (d) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Taking a poll

If a poll is properly demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman of the meeting directs. He may appoint scrutineers, who need not also be members, and may fix a time and place for declaring the result of the poll.

Proxies

An instrument appointing a proxy shall be in writing in any usual form, or in such other form as may be approved by the Board, and must be left at such place in the United Kingdom as may be specified for the purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Company's office) not less than 48 hours before the time

appointed for the commencement of the meeting or adjourned meeting at which it is to be used. A proxy may also be appointed by electronic means to such address as may be notified by or on behalf of the Company for that purpose, or by any other lawful means from time to time authorised by the Board. A proxy need not be a member of the Company. Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the relevant meeting or any adjournment of it or on any poll.

3.10 *Directors*

Number of directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of directors of the Company (other than alternate directors) shall not exceed 10 but shall not be less than two.

Retirement of directors by rotation

At each annual general meeting of the Company, there shall retire from office any director of the Company who shall have been a director at each of the two preceding annual general meetings and who was not appointed or re-elected by the Company in general meeting at, or since, either such annual general meeting. A retiring director shall be eligible for re-election.

Directors retiring from office at every annual general meeting

Where a director of the Company is: (a) a non-executive director and has been in office for nine years or more; or (b) a director, partner, other officer or employee of or professional adviser to the Company's alternative investment fund manager ("**AIFM**") and/or the Company's manager or any other company in the same group as the AIFM and/or the Company's manager, he shall retire from office at every annual general meeting.

Voting on the appointment of an independent director

Where the appointment of an independent director of the Company (being a director who is determined by the Board, having regard to the criteria set out in the AIC Corporate Governance Guide for Investment Companies, to be independent of any controlling shareholder (as defined in the Listing Rules)) is proposed, the election or re-election of such independent director by shareholders must be approved by: (a) the shareholders of the Company; and (b) the independent shareholders of the Company. If such resolution proposed for the election or re-election of an independent director is not approved by both the shareholders and the independent shareholders of the Company, but the Company wishes to propose that person for election or re-election as an independent director, the Company must propose a further ordinary resolution to elect or re-elect the proposed independent director which: (1) must not be voted on within a period of 90 days from the date of the original vote; (2) must be voted on within a period of 30 days from the end of such 90 days period, and must be approved by the shareholders of the Company.

Remuneration

Unless otherwise determined by the Company by ordinary resolution, the directors of the Company (other than alternate directors) shall be paid for their services as directors such aggregate fees (not exceeding £500,000 per annum or such larger amount as the Company may by ordinary resolution provide) as the Board may decide to be divided among the directors in such proportion and manner as it may determine or in default of determination, equally.

The salary or remuneration of any director of the Company appointed to hold any employment or executive office may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu of any fee payable to him for his services as a director pursuant to the Articles.

Each director of the Company shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director, including any expenses incurred in attending meetings of the Board or of committees or general meetings or separate meetings of the holders of any class of shares or debentures of the Company.

Executive directors

Subject to the provisions of the Companies Act, the Board may from time to time appoint one or more of its body to hold any employment or executive office (including that of chief executive and managing director) for such period (subject to the provisions of the Companies Act) and on such terms as the Board may determine, and may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the director and the Company.

Directors' interests

The Articles contain extensive provisions dealing with directors' conflicts of interest and the ability of the Board to authorise any matter which would otherwise involve a director breaching their duty under the Companies Act to avoid conflicts of interest. Where the Board authorises a conflict the Board may require that the relevant director is excluded from the receipt of information, the participation in discussions and/or the making of decisions and impose such other terms for the purpose of dealing with the conflict as it may determine.

If a director is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, the relevant director must declare the nature and extent of that interest to the Board in accordance with the Companies Act.

Subject to the provisions of the Companies Act and provided that the relevant provisions of the Articles dealing with conflicts of interest are complied with, a director of the Company, despite his office:

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested;
- (b) may hold any other office or place of profit under the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company;
- (c) may be a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (d) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

General powers

Subject to the provisions of the Companies Act, the memorandum of association of the Company and the Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the memorandum of association or of the Articles and no special resolution of the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such special resolution had not been passed.

Borrowing powers

The Board may exercise all the powers of the Company (a) to borrow money; (b) to guarantee and/or to indemnify any debt, liability or obligation of the Company or of any third party; (c) to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company; (d) to issue or sell bonds, loan notes, debentures and other securities; and (e) to give security, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Board shall restrict the borrowings of the Company so as to secure that, save with the previous sanction of an ordinary resolution, no money shall be borrowed if the aggregate principal amount outstanding of all borrowings by the Company and its subsidiary undertakings (if any) (exclusive of borrowings owing by one member of the group to another member of the group) then exceeds, or

would as a result of such borrowing exceed, an amount equal to two times the net assets of the Company, as shown by the then latest audited balance sheet of the Company.

Board meetings

The Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

Quorum

The quorum necessary for the transaction of business at a meeting of the Board may be determined by the Board and, unless otherwise determined, shall be two directors. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the Board.

Voting

Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote (unless the chairman is not entitled to vote on the resolution in question).

Indemnity of officers and insurance

Subject to the provisions of the Companies Act, every director or other officer for the time being of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses, damages and liabilities incurred by him in or about the execution of his duties or the exercise of his powers or otherwise in relation to them including (without prejudice to the generality of the foregoing) any liability incurred in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a director or officer of the Company in which judgement is given in his favour or in which he is acquitted, or which are otherwise disposed of without any finding or admission of material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

The Board may exercise all the powers of the Company to purchase and maintain for any director or other officer (including former directors or other officers) or any other person insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against in relation to the affairs of the Company.

3.11 *US tax matters*

The Board may at any time and from time to time serve notice on any member requiring that member to promptly provide the Company with any information, representations, certificates, waivers or forms ("**Information**") relating to such member (and its direct or indirect owners or account holders or the persons beneficially interested, directly or indirectly, in the shares held by such member) that the Board determines from time to time is necessary or appropriate for the Company to have in order to: (a) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under or in relation to the US Foreign Account Tax Compliance Act 2010 ("**FATCA**") or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction ("**Similar Laws**"); or (b) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such member by the Company); or (c) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code (the "**US Code**") or under Similar Laws.

The Company and its agents shall be entitled to hold and process the Information for the purposes of carrying out the business of the Company and the administration and protection of its interests.

If any member is in default of supplying the Information to the Company within the period set out in the notice referred to above (which shall not be less than ten days after the service of the notice), the Board may by notice to such member declare him to be a Non-Qualified Holder for the purposes of

the Articles and declare that the shares which in the opinion of the Board are held by such member shall be regarded as Prohibited Shares for the purposes of the Articles.

The Board may at any time give written notice to any shareholder requiring him to make a declaration as to whether or not any share held by such person is a Prohibited Share. If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Board, would or might give rise to an Onerous Obligation (as defined below), then the Board may by written notice to the holder of such shares declare such holder to be a Non-Qualified Holder and declare that the shares which are held by such holder shall be regarded as Prohibited Shares.

The Board may at any time give written notice to any Non-Qualified Holder, requiring him either:

- (a) to provide the Board within 21 days of service of such notice with sufficient satisfactory documentary evidence to satisfy the Board (in its discretion) that such person should not be regarded as a Non-Qualified Holder and that the shares held by such person should not be treated as Prohibited Shares; or to provide the Board within 21 days' of service of such notice with the Information so as to satisfy the Board (in its discretion) that such person should not be regarded as a Non-Qualified Holder and that the shares held by such person should not be treated as Prohibited Shares; or
- (b) to sell or transfer his Prohibited Shares to a person who is not, and would not be upon such sale or transfer, a Non-Qualified Holder within 21 days of service of such notice (or such longer period as the Board may determine) and within such 21 days (or such longer period as the Board may determine) to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights (and such rights will vest in the chairman of any such meeting who may act entirely at his discretion) and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such Prohibited Shares.

Where any condition referred to above is not satisfied within 21 days (or such longer period as the Board may determine) after the serving of the notice, the person will be deemed, upon the expiration of such 21 days to have forfeited his Prohibited Shares. If the Board in its absolute discretion so determines, the Company may dispose of the Prohibited Shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

Upon transfer of a share, the transferee of such share shall be deemed to have represented and warranted to the Company that he is acquiring those shares in an offshore transaction meeting the requirements of Regulation S (as defined in the Articles) and is: (i) not a Benefit Plan Investor (as defined in the Articles) and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as "plan assets" of any Benefit Plan Investor; (ii) not a US Person (as defined in the Articles), located in the United States or acquiring the shares for the account or benefit of a US Person.

For the purposes of the Articles, an "**Onerous Obligation**" means any circumstances, including the application of any legislation or regulation, wheresoever enacted, which would or might, in the opinion of the Board: (a) cause the Company's assets to be deemed, for the purpose of the United States Employee Retirement Income Security Act of 1974 as amended from time to time, and the applicable regulations thereunder ("**ERISA**") or the US Code, the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; or (ii) a "plan" as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or (iii) an entity whose underlying assets are considered to include "plan assets" by reason of investment in such entity by an "employee benefit plan" or "plan"; (b) cause the Company to be required to register as an "investment company" under the US Investment Company Act of 1940, as amended (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act of 1940) or similar legislation, or to lose an exemption or status thereunder to which it might otherwise be entitled; (c) cause the Company (or any of its appointed investment managers or investment advisers) to have to: (i) register or qualify itself or any of the shares in the Company under the US Securities Act of 1933, as amended or the US Securities Exchange Act of 1934, as amended, or with any securities regulatory authority of any state or other jurisdiction of the United States; or register as an "investment adviser" under the

US Investment Advisers Act of 1940, as amended; or (iii) register or qualify itself or any of the shares of the Company under any similar legislation in any territory or jurisdiction; (d) cause the Company not to be considered a “Foreign Private Issuer” as such term is defined in rule 3b-4(c) under the US Securities Exchange Act of 1934, as amended; (e) cause the Company to be a “controlled foreign corporation” for the purposes of the US Code; or (f) cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction, or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the member concerned to provide promptly to the Company the Information);

3.12 Changes to the Articles

In accordance with the Companies Act, the Articles can be amended by means of a special resolution of shareholders which requires 75 per cent. of the votes cast at a general meeting to be in favour, provided that in relation to any amendment which would affect class rights, the appropriate class must approve the amendment in accordance with the Articles.

4. Directors’ and other interests

- 4.1 The aggregate of the remuneration paid and benefits in kind granted to the Directors by the Company for the financial period which ended on 31 July 2020 was £19,058 to Mr Harris and £16,000 to each of the other Directors. The fees are reviewed annually. Directors’ annual fees were increased following the year ended 31 July 2020: Mr Harris’ fee to £28,000, Mr Wright’s fee to £25,000, Sir James Waterlow’s fee to £22,000 and Mr Miller’s fee to £20,000. The total remuneration and benefits in kind granted to the Directors will not be varied as a consequence of the Issues. No Director is eligible for pension, retirement or similar benefits and no amounts have been set aside by the Company to provide pension, retirement or similar benefits.
- 4.2 Any new Director appointed during the year must stand for election at the first annual general meeting following their appointment. Thereafter, each of the Directors stands for annual re-election in accordance with the UK Code. Directors who have served on the Board for longer than nine years will submit themselves for re-election every year. None of the Directors’ letters of appointment contain notice periods nor provisions for any compensation being payable upon early termination by the Company.
- 4.3 No Director has or has had any direct or indirect interest in any transaction which is or was unusual in its nature or conditions or which is or was significant to the business of the Company and which has been effected by the Company since its date of incorporation.
- 4.4 No loan or guarantee has been granted or provided by the Company for the benefit of any Director.
- 4.5 The Directors do not have any options over Ordinary Shares. As at the date of this Prospectus, the interests of the Directors (and their connected persons) in the issued share capital of the Company were as follows:

	<i>No. of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Mr Harris	12,000	0.03%
Mr Miller	1,400	0.004%
Mr Wright	43,192	0.12%
Sir James Waterlow	5,000	0.01%

- 4.6 As at 17 November 2020 (being the latest practicable date prior to the publication of this Prospectus) the Company is aware of the following persons who are interested in three per cent. or more of the Company's issued share capital.

	<i>No. of Ordinary shares</i>	<i>Percentage of issued share capital</i>
M&M Investment Company plc	19,588,919	52.38%

MMIC which is controlled by Mark Sheppard (who forms part of the Manager's investment management team), is the controlling Shareholder of the Company. There are no different voting rights for any Shareholder. The Directors are not aware of any arrangement, the operation of which may result in a change of control of the Company.

- 4.7 Details of those companies (other than the Company) and partnerships of which the Directors have been a member of the administrative, management or supervisory body or a partner at any time in the five years preceding the date of this Prospectus are as follows:

	<i>Current directorships/ memberships</i>	<i>Previous directorships/ memberships</i>
(i) David Harris (Chairman)	<ul style="list-style-type: none"> – BMO Managed Portfolio Trust plc – Chalfont Productions Limited – Invatrust Limited – The Character Group plc 	<ul style="list-style-type: none"> – Aseana Properties Ltd – Chelverton Small Companies ZDP plc (<i>members' voluntary liquidation – dissolved 18 September 2019</i>) – Chelverton UK Dividend Trust plc (<i>in liquidation – dissolved 18 November 2016 following members' voluntary liquidation but restored to the register on 3 August 2018</i>) – Core VCT V plc (<i>in liquidation</i>) – Grosvenor Park 2003 Film Partnership No.1 LLP (<i>compulsory strike-off – dissolved 27 October 2020</i>) – SDF Productions Limited (<i>voluntary strike-off – dissolved 31 December 2019</i>) – SDV 2025 ZDP plc
(ii) Brett Miller	<ul style="list-style-type: none"> – Damille Partners Limited– EIH plc – KKV Secured Income Fund Limited – RDL Realisation plc – Secured Income Fund plc – TR Asia Value Fund Limited – TR Capital IV General Partner Limited – TR Capital Management International Limited – TR Industries Limited 	<ul style="list-style-type: none"> – Damille Investments II Limited – HWSI Realisation Fund Limited – Loudwater Trust Limited – M&L Capital Management Global Funds ICAV (<i>in liquidation</i>) – M&L Property & Assets plc – Rapid Realisations Fund Limited – The Local Shopping REIT plc – Gledhow Investments plc

	<i>Current directorships/ memberships</i>	<i>Previous directorships/ memberships</i>
(iii) Daniel Wright	<ul style="list-style-type: none"> – Accrol Group Holdings plc – Atom Partners Limited – Gomrath Limited – NorthEdge Capital I GP LLP – SolasCure Limited – Waterloo Street BPRA Property Fund LLP 	<ul style="list-style-type: none"> – Highflex Holdings (UK) Limited <i>(administration – dissolved 14 November 2018)</i> – MP Topco Limited <i>(in members’ voluntary liquidation)</i> – NorthEdge Capital Corporate Limited – NorthEdge Capital Founder GP Limited – NorthEdge Capital Fund I GP Limited – NorthEdge Capital LLP – NorthEdge Capital Nominee Limited – Vision Support Gulf FZE – Vision Support Pakistan (Private) Limited – Vision Support Services Asia Limited – Vision Support Services Group Limited – VSS Sourcing (India) Private Limited
(iv) Sir James Waterlow	n/a	n/a

4.8 In the five years prior to the date of this Prospectus, the Directors:

4.8.1 do not have any convictions in relation to fraudulent offences;

4.8.2 save as disclosed in paragraph 4.7 of this Part 6, have not been associated with any bankruptcies, receiverships, liquidations or administrations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; or

4.8.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

4.9 The Company Secretary maintains a conflicts of interest register to monitor any potential conflicts of interest between any duties of the Directors carried out on behalf of the Company and their private interests and/or other duties. Save for those companies and/or partnerships referred to in paragraph 4.7 above, there are no potential conflicts of interest. All of the Directors, save for Mr Miller, are independent of the Manager and any other company in the same group of companies as the Manager.

5. Subsidiary undertakings

The Company has no subsidiary undertakings.

6. Related party transactions

The Company was not a party to, nor had any interest in, any related party transaction (as defined in the standards adopted according to the Regulation (EC) No 1606/2002) at any time during the two financial periods ended 31 July 2020 in respect of which the Company has published statutory accounts, other than those disclosed in the notes to the financial statements of the Company for the two financial periods ended 31 July 2019 and 31 July 2020.

During the period from 31 July 2020 to the date of this document, the Company issued a further 1,262,500 Ordinary Shares to MMIC, a related party of the Company, pursuant to a placing undertaken on 30 September 2020. The total consideration for the subscription amounted to £8,082,525.

7. Mandatory bids, squeeze-out and sell-out rules

7.1 Mandatory bids

As a company incorporated in England and Wales with shares admitted to trading on the London Stock Exchange, the Company is subject to the provisions of the Takeover Code. Under Rule 9 of the Takeover Code, any person or group of persons acting in concert with each other which, taken together with shares already held by that person or group of persons, acquires an interest in 30 per cent. or more of the voting rights of a public company which is subject to the Takeover Code or holds not less than 30 per cent. but not more than 50 per cent. of the voting rights exercisable at a general meeting and acquires additional shares which increase the percentage of their voting rights, would normally be required to make a general offer in cash at the highest price paid within the preceding 12 months for all the remaining equity share capital of the relevant company.

As at 17 November 2020, MMIC holds 52.38 per cent. of the Company's issued share capital. As MMIC holds more than 50 per cent. of the voting rights in the Company, MMIC is able to increase its aggregate holding in the Company without triggering the requirement to make a mandatory cash offer for the outstanding Ordinary Shares in the Company under the Takeover Code.

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9. A Shareholder who is neither a Director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9. However, under note 2 to Rule 37, where a shareholder has acquired shares at a time when it had reason to believe that a purchase by the company of its own voting shares might take place, an obligation to make a mandatory bid under Rule 9 may arise in certain circumstances. The buying back by the Company of Ordinary Shares could, therefore, have implications for Shareholders with significant shareholdings.

7.2 Squeeze-out and sell-out rules

Other than as provided by the Companies Act, there are no rules or provisions relating to squeeze-out and sell-out rules in relation to the Ordinary Shares. Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the Ordinary Shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding Ordinary Shares not assented to the offer. It would do so by sending a notice to the other holders of Ordinary Shares telling them that it will compulsorily acquire their Ordinary Shares and then, six weeks later, it would execute a transfer of the outstanding Ordinary Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the holders of those Ordinary Shares subject to the transfer. The consideration offered to the holders whose Ordinary Shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the Ordinary Shares (in value and by voting rights, pursuant to a takeover offer that relates to all the Ordinary Shares in the Company) to which the offer relates, any holder of Ordinary Shares to which the offer relates who has not accepted the offer may require the offeror to acquire his Ordinary Shares on the same terms as the takeover offer.

The offeror would be required to give any holder of Ordinary Shares notice of his right to be bought out within one month of that right arising. Such sell out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of Ordinary Shares notifying them of their sell out rights. If a holder of Ordinary Shares exercises their rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

8. Material contracts

The following are all of the material contracts, other than contracts entered into in the ordinary course of business, to which the Company has been a party within the two years preceding the date of publication of this Prospectus and any other contract, not being a contract entered into in the ordinary course of business, that has been entered into by the Company which contains any provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this Prospectus.

8.1 *Management Agreement*

The Management Agreement dated 17 January 2018 (as amended on 2 May 2018) pursuant to which the Manager has agreed, subject to the overall policy and supervision of the Directors and such directions as the Directors may give from time to time, to advise upon investments in accordance with the Company's investment policy and to act as the Company's alternative investment manager for the purposes of the AIFM Directive. The Management Agreement may be terminated by either party on three months' notice or on shorter notice in certain circumstances. The annual management fee which is payable to the Manager in accordance with the Management Agreement is based on the net assets of the Company attributable to Shareholders. The fee payable to the Manager is 0.5 per cent. per annum of the Company's Net Asset Value (the "**Base Fee**"), calculated on the last business day of each calendar month (the "**Calculation Date**"). An uplift of 0.25 per cent. of the NAV will be applied to the fee should the performance of the Company over the 36-month period to the Calculation Date be above that of the Company's benchmark. A reduction of 0.25 per cent. of the NAV will be applied to the fee should the performance of the Company over the 36-month period to the Calculation Date be below that of the Company's benchmark.

In addition to the portfolio management fee set out above, the Manager also receives an annual risk management and valuation fee of £59,000 in connection with the duties it undertakes as the Company's AIFM. The Manager is also reimbursed any expenses incurred by it on behalf of the Company. Management fees are calculated and paid monthly.

The Company has agreed to indemnify the Manager in respect of all claims by third parties in relation to such acts and things as the Manager shall lawfully do or cause to be done in the proper performance of its duties except to the extent that such claim is due to the negligence, wilful default or fraud of the Manager or a breach of any applicable laws or the Management Agreement.

The Management Agreement is governed by the laws of England.

8.2 *The Administration Agreement*

The Administration Agreement dated 8 August 2016 (as amended from time to time) pursuant to which the Administrator is appointed to act as administrator of the Company and to provide fund accounting services to the Company. The Administrator is entitled to receive a monthly fee for its services, currently £8,168 (plus VAT if applicable) as administrator to the Company. The fees payable under the Administration Agreement are payable monthly.

Under the terms of the Administration Agreement, the Administrator shall provide the day-to-day administration of the Company and is also responsible for the Company's general administrative functions, such as the calculation and publication of the Net Asset Value and maintenance of the Company's accounting and statutory records.

The Administration Agreement will continue until terminated at any time by any party giving to the other not less than 12 months' written notice or immediately in certain circumstances including where either party commits any material breach of the Administration Agreement that has not been remedied within sixty days of receipt of written notice, or on the occurrence of certain insolvency events.

The Company has given certain market standard indemnities in favour of the Administrator and its affiliates and their directors, officers, employees and agents in respect of the Administrator's potential losses in carrying out its responsibilities under the Administration Agreement. The Administrator's liabilities under the Administration Agreement are subject to a cap.

The Administration Agreement is governed by the laws of England.

8.3 *The Company Secretarial Agreement*

The Company Secretarial Agreement dated 27 April 2016 between the Company and the Company Secretary pursuant to which the Company Secretary has agreed to provide the company secretarial functions required by the Companies Act.

The Company Secretarial Agreement may be terminated by either party on six months' notice or immediately in certain circumstances. The Company Secretary is entitled to receive a quarterly fee, currently £12,108 (plus VAT if applicable), for provision of company secretarial services to the Company under the agreement.

The Company has given certain market standard indemnities in favour of the Company Secretary and its affiliates and their directors, officers, employees and agents in respect of the Company Secretary's potential losses in carrying out its responsibilities under the Company Secretarial Agreement. The Company Secretary's liabilities under the Company Secretarial Agreement are subject to a cap.

The Company Secretarial Agreement is governed by the laws of England.

8.4 *The Depositary Agreement*

The Depositary Agreement dated 10 January 2018 between the Company, the Manager and the Depositary pursuant to which the Company appointed Indos Financial Limited as the Company's Depositary for the purposes of the AIFM Directive. Under the terms of the Depositary Agreement, the Depositary performs, *inter alia*, safekeeping, cashflow monitoring and oversight services in accordance with the AIFM Directive.

The annual fee payable to the Depositary is 0.03 per cent. per annum of net assets, subject to a minimum fee of £2,916 per month.

The Depositary Agreement will continue until terminated at any time by any party giving the not less than three months' written notice. The Depositary Agreement may also be terminated by notice in writing if any other party commits any material breach of the Depositary Agreement that has not been remedied within thirty days of receipt of written notice, or on the occurrence of certain insolvency events or if any party ceases to be authorised and such authorisation is required to allow it to fulfil its obligations under the terms of the agreement.

In accordance with the terms of the Depositary Agreement, and subject to the provisions of the AIFM Directive, the Depositary may delegate its safekeeping functions in relation to securities and other assets of the Company. The Depositary must exercise due care, skill and diligence in the selection of a delegate to perform the safekeeping functions in respect of securities and other assets of the Company. The employment of any such delegate shall not relieve the Depositary of its responsibilities or liabilities under the Depositary Agreement.

The Depositary Agreement contains an indemnity in favour of the Depositary and its, officers, agents and employees against liabilities imposed on them in connection with their performance under the agreement, provided that the Depositary has not acted with negligence or engaged in fraud or wilful default in connection with the liabilities in question.

The Depositary Agreement is governed by the laws of England.

8.5. *Registrar Agreement*

The Registrar Agreement dated 12 June 2017 between the Company and the Registrar pursuant to which the Registrar is appointed to act as registrar to the Company. The Registrar is entitled to receive an annual registration fee from the Company. The Registrar is also entitled to reimbursement of all out of pocket expenses and properly incurred in connection with the Registrar Agreement.

The Registrar Agreement may be terminated immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The Registrar Agreement contains customary indemnities from the Company in favour of the Registrar.

8.6 *Prime Brokerage Agreements*

The Company has entered into an international prime brokerage agreement with Morgan Stanley & Co. International Plc (“**MSI**”) on 5 September 2014 pursuant to which MSI provides custody and settlement services. The Company pays MSI a range of different fees for different services. Either party can terminate the MSI Prime Brokerage Agreement by giving at least 5 business days prior written notice.

The Company has entered into an international prime brokerage agreement with J P Morgan Securities Plc (“**JPMS**”) on 2 September 2014 pursuant to which JPM provide custody and settlement services. The Company pays JPMS a range of different fees for different services. Any party can terminate the JPMS Prime Brokerage Agreement by giving at least 30 calendar days prior written notice.

8.7 *Relationship Agreement*

The Company has in place a continuing written relationship agreement with MMIC which seeks to ensure compliance with the independence provisions set out in Listing Rule 6.5.4R. Since entering the Relationship Agreement, the Company has fully complied with the independence provisions included within this agreement and, so far as the Company is aware, the independence provisions included in the Relationship Agreement have also been complied with during this period by MMIC and its associates.

Under the Relationship Agreement, MMIC can appoint non-executive Directors to the Board, provided that the majority of these appointments are deemed to be independent from MMIC and the appointment of all directors are not to the detriment of the Shareholders as a whole.

9. Investment restrictions

9.1 In accordance with the requirements of the FCA, the Company:

9.1.1 will not invest more than 10 per cent. in aggregate of the value of the total assets of the Company in other investment companies or investment trusts which are listed on the premium segment of the Official List (except to the extent that those investment companies or investment trusts have published investment policies to invest no more than 15 per cent. of their gross assets in other investment companies or investment trusts which are listed on the Official List);

9.1.2 will not conduct any trading activity which is significant in the context of the Company as a whole;

9.1.3 will, at all times, invest and manage its assets:

(i) in a way which is consistent with its object of spreading investment risk; and

(ii) in accordance with its published investment policy.

9.2 As an investment trust, the Company aims to comply with section 1158 of the Tax Act, which imposes on the Company an obligation to spread investment risk.

9.3 In accordance with the requirements of the FCA, the Company will not make any material change to its published investment policy without the approval of its Shareholders by ordinary resolution. Such an alteration would be announced by the Company through a Regulatory Information Service.

9.4 In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company by an announcement issued through a Regulatory Information Service approved by the FCA.

10. General

10.1 In the 12 months preceding the date of this Prospectus there have been no governmental, legal or arbitration proceedings (and, in so far as the Company is aware, there are no governmental, legal or arbitration proceedings pending or threatened) which may have, or have had in the recent past significant effects on the Company's financial position or profitability.

10.2 Dickson Minto W.S. has given and not withdrawn its written consent to the issue of this Prospectus with the inclusion therein of references to its name in the form and context in which they are included.

11. Documents available for inspection

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at 12a Princes Gate Mews, London until 18 November 2021:

- (i) the Articles;
- (ii) the annual reports and accounts of the Company for the two financial years ended 31 July 2019 and 31 July 2020; and
- (iii) this Prospectus.

12. Availability of this document

This Prospectus is available for inspection at <https://data.fac.org.uk/#/nsm/nationalstoragemechanism> and at the Company's website <https://mlcapman.com/manchester-london-investment-trust-plc/> until 18 November 2021.

19 November 2020

DEFINITIONS

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

Administration Agreement	the administration agreement dated 8 August 2016 between the Administrator and the Company, as amended from time to time, further details of which are set out in paragraph 8.2 of Part 6 of this Prospectus
Administrator	Link Alternative Fund Administrators Limited, a company incorporated in England and Wales (registered number 02056193), whose registered office is at The Registry, 34 Beckenham Road, Kent BR3 4TU
Admission	the admission of any New Shares to the premium segment of the Official List and to trading on the Main Market becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
Admission Condition	(i) the FCA having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the relevant New Shares to be issued under the Share Issuance Programme to the Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (" listing conditions ")) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions having been satisfied, and (ii) the London Stock Exchange having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the relevant New Shares will be admitted to trading on the Main Market
AIC	the Association of Investment Companies
AIFM	an alternative investment fund manager for the purposes of the AIFM Directive
AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council
Articles	the articles of association of the Company, as amended from time to time
Audit Committee	the committee of this name established by the Board and having the duties described in the section entitled "Audit Committee" in Part 2 of this Prospectus
Auditors	Deloitte LLP, a limited liability partnership incorporated in England and Wales (registered number OC303675), whose registered office is at 1 New Square, London EC4A 3HQ
Australia	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
Business Day	a day (other than a Saturday, Sunday or public holiday) on which the London Stock Exchange is open for normal business
Canada	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof

certificated or in certificated form	a share or other security which is not in uncertificated form
Companies Act	the UK Companies Act 2006, as amended from time to time
Company	Manchester and London Investment Trust Public Limited Company, a company incorporated in England and Wales (registered number 01009550), whose registered office is at 12a Princes Gate Mews, London SW7 2PS
Company Secretarial Agreement	the agreement dated 27 April 2016 between the Company and the Company Secretary, further details of which are set out in paragraph 8.3 of Part 6 of this Prospectus
Company Secretary	Link Company Matters Limited, a company incorporated in England and Wales (registered number 05306796), whose registered office is at The Registry, 34 Beckenham Road, Kent BR3 4TU
COVID-19 Pandemic	the outbreak of the infectious disease known as COVID-19, the spread of which was declared as a transnational and continental pandemic by the World Health Organisation on 11 March 2020
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001 (SI2001/3755), as amended from time to time
Depository	Indos Financial Limited, a company incorporated in England and Wales (registered number 08255973) whose registered office is at 54 Fenchurch Street, London, EC3M 3JY.
Depository Agreement	the agreement dated 10 January 2018 between the Company, the Depository and the Manager, further details of which are set out in paragraph 8.4 of Part 6 of this Prospectus
Directors or Board	the directors of the Company from time to time
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA, as amended from time to time
Documentation Costs	the aggregate costs of, and incidental to, the publication of this Prospectus
EEA	European Economic Area
EEA States	the member states of the EEA
Euroclear	Euroclear UK & Ireland Limited
European Union or EU	the European Union first established by the treaty made at Maastricht on 7 February 1992
FATCA	the US Foreign Account Tax Compliance Act 2010 and any regulations made thereunder or in association therewith
FCA	the Financial Conduct Authority of the United Kingdom including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
FSMA	the Financial Services and Markets Act 2000, as amended from time to time

HMRC	HM Revenue & Customs in the UK
IFRS	International Financial Reporting Standards
ISA	an individual savings account for the purposes of section 694 of the Income Tax (Trading and Other Income) Act 2005
Issue	an issue of New Shares at the Issue Price, as described in this document and “ Issues ” shall be construed accordingly
Issue Price	the price at which New Shares are to be issued under any Issue, which will be determined, at the time of each Issue, as explained in Part 3 of this Prospectus
Japan	Japan, its cities, prefectures, territories and possessions
JPMS	J.P. Morgan Securities plc, a company incorporated in England and Wales (registered number 02711006)
JPMS Prime Brokerage Agreement	the international prime brokerage agreement dated 2 September 2014 between the Company and JPMS, as amended from time to time, further details of which are set out in paragraph 8.6 of Part 6 of this Prospectus
Listing Rules	the listing rules made by the FCA under Part VI of FSMA, as amended from time to time
London Stock Exchange	London Stock Exchange plc
Main Market	the London Stock Exchange’s main market for listed securities
Management Agreement	the management agreement dated 17 January 2018 between the Company and the Manager, as amended from time to time, further details of which are set out in paragraph 8.1 of Part 6 of this Prospectus
Manager or MLCM or M&L Capital Management	M&L Capital Management Limited, a company incorporated in England and Wales (registered number 04089418), whose registered office is at 12a Princes Gate Mews, London SW7 2PS
Market Abuse Regulation	Regulation (EU) 596/2014, all delegated regulations and implementing regulations made thereunder and any legislation made in the United Kingdom in connection with the entry into force of such regulation
MMIC	M&M Investment Company Plc, a company incorporated in England and Wales (registered number 03703848), whose registered office is at 12a Princes Gate Mews London SW7 2PS
MSCI UK Index	MSCI United Kingdom IMI Index (MXGBIM)
MSI	Morgan Stanley & Co. International Plc, a company incorporated in England and Wales (registered number 02068222)
MSI Prime Brokerage Agreement	the international prime brokerage agreement dated 5 September 2014 between the Company and MSI, as amended from time to time, further details of which are set out in paragraph 8.6 of Part 6 of this Prospectus

NAV or Net Asset Value	the value of all assets of the Company less its liabilities to creditors (including provisions for such liabilities) calculated on the basis described in Part 2 of this Prospectus and otherwise in accordance with the Company's accounting policies from time to time
NAV per Share or Net Asset Value per Ordinary Share	the net asset value per Ordinary Share from time to time, calculated in accordance with the Company's accounting policies from time to time
New Shares	the new Ordinary Shares to be issued pursuant to any Issue
OECD	the Organisation for Economic Co-operation and Development
Official List	the official list maintained by the FCA
Ordinary Shares or Shares	ordinary shares of 25 pence each in the capital of the Company, including, where the context requires, the New Shares
Overseas Investor	a person who is not resident in, or who is outside of, or who has a registered address outside, the United Kingdom
PRA	the Prudential Regulation Authority of the United Kingdom including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance based investment products (PRIIPs) and its implementing and delegated acts
Prime Brokers	MSI and JPMS
Prospectus	this document
Prospectus Regulation	Regulation (EU) No. 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA under Part VI of FSMA, as amended from time to time
Registrar	Link Market Services Limited a company incorporated in England and Wales (registered number 2605568), whose registered office is The Registry, 34 Beckenham Road, Beckenham. Kent BR3 4TU
Registrar Agreement	the agreement between the Company and the Registrar, further details of which are set out in paragraph 8.5 of Part 6 of this Prospectus
Regulation S	Regulation S under the U.S. Securities Act
Regulatory Information Service	a regulatory information service that is on the list of regulatory information services maintained by the FCA
Relationship Agreement	the agreement between the Company and MMIC dated 21 October 2014, further details of which are set out in paragraph 8.7 of Part 6 of this Prospectus
Republic of South Africa	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub divisions thereof

RPI	the UK retail price index
SDRT	stamp duty reserve tax
Shareholder	a holder of Ordinary Shares
Share Issuance Programme	the Board's programme of ongoing periodic issuances of New Shares that seeks to manage supply and demand for the Ordinary Shares
SIPP	a self-invested personal pension plan
Sponsor	Dickson Minto W.S.
SSAS	a small self-administered pension scheme
Sterling or £	pounds sterling, being the lawful currency of the United Kingdom
Takeover Code	the City Code on Takeovers and Mergers
Tax Act	the Corporation Tax Act 2010, as amended from time to time
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK Code	the UK Corporate Governance Code issued by the Financial Reporting Council, as amended from time to time
uncertificated or in uncertificated form	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
United States or US or USA	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia, and all other areas subject to its jurisdiction
U.S. Investment Company Act	the United States Investment Company Act of 1940, as amended
U.S. Person	has the meaning given in Regulation S of the U.S. Securities Act
U.S. Securities Act	the United States Securities Act of 1933, as amended
VAT	value added tax

