

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom.**

If you have sold or otherwise transferred all of your Ordinary Shares in BlackRock American Income Trust plc, you should pass this document (but not the accompanying personalised Form of Proxy and any personalised Tender Form) as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, this document should not be distributed, forwarded or transmitted in or into Australia, Canada, Japan, New Zealand or South Africa or into any jurisdiction if to do so might constitute a violation of the relevant laws and regulations in such jurisdiction. Shareholders who are resident in, or citizens of, territories outside the United Kingdom should read the section headed “Overseas Shareholders” in paragraph 9 of Part 4 of this document in relation to the Tender Offer. The attention of US Shareholders is drawn to the section titled “Notice for US Shareholders” on page 4 of this document and “US Shareholders” at paragraph 10 of Part 4 of this document. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain this document and the accompanying personalised Form of Proxy and any personalised Tender Form and contact immediately the stockbroker, bank or other agent through whom the sale or transfer has been effected.

---

## **BLACKROCK AMERICAN INCOME TRUST PLC**

*(Incorporated and registered in England and Wales with registered number 8196493 and registered as an investment company within the meaning of Section 833 of the Companies Act 2006)*

### **Tender Offer to purchase up to 20 per cent. of the issued share capital of the Company**

### **Change of investment objective and investment policy**

### **Notice of General Meeting**

---

The Proposals described in this document are conditional, among other things, on Shareholder approval. Notice of a General Meeting of BlackRock American Income Trust plc to be held at 12 Throgmorton Avenue, London EC2N 2DL at 12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM is concluded or adjourned) is set out at the end of this document.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. **To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive by no later than 12.15 p.m. on 14 April 2025.** The Form of Proxy can be returned by delivery to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom, by completing it online at [www.eproxyappointment.com](http://www.eproxyappointment.com), or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice of General Meeting and the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they choose to do so. Further instructions relating to the Form of Proxy are set out in the Notice of General Meeting and the Form of Proxy.

The Tender Offer will close at 1.00 p.m. on 17 April 2025 and will only be available to Eligible Shareholders on the Register at 6.00 p.m. on 17 April 2025 (the “**Record Date**”).

**Shareholders who do NOT wish to sell any Ordinary Shares under the Tender Offer should NOT complete or return a Tender Form or submit a TTE Instruction in CREST. None of the Directors will be tendering any of their Ordinary Shares in the Tender Offer.**

The Directors are making no recommendation to Shareholders as to whether they should tender Ordinary Shares in the Tender Offer. Whether Shareholders decide to tender Ordinary Shares will depend, among other things, on their view of the Company's prospects and their own individual circumstances, including their tax position. Shareholders who are in any doubt as to the action they should take should consult an appropriate independent professional adviser.

Eligible Shareholders who hold their Ordinary Shares in certificated form and who wish to tender Ordinary Shares for purchase by the Company under the Tender Offer should ensure that their completed Tender Forms are returned to the Receiving Agent by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom so as to be received by no later than 1.00 p.m. on 17 April 2025. Eligible Shareholders who hold their Ordinary Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares tendered.

Eligible Shareholders who hold Ordinary Shares in uncertificated form (that is, in CREST) should not return the Tender Form and should arrange for the Ordinary Shares tendered to be transferred into escrow as described in paragraph 3.2 of part 4 of this document.

The Tender Offer is not being made directly or indirectly in or into Australia, Canada, Japan, New Zealand, South Africa or any jurisdiction into which the making of the Tender Offer would constitute a violation of the relevant laws and regulations in such jurisdiction, and cannot be accepted from within Australia, Canada, Japan, New Zealand, South Africa or any jurisdiction into which the making of the Tender Offer would constitute a violation of the relevant laws and regulations in such jurisdiction.

Cavendish Capital Markets Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting exclusively for the Company and no-one else in connection with the Proposals and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cavendish or for providing advice in relation to the Proposals and the contents of this document or any matter referred to herein. Nothing in this document shall serve to exclude or limit any responsibilities which Cavendish may have under FSMA or the regulatory regime established thereunder.

This document should be read as a whole. Your attention is drawn to the letter from the Chair of the Company which is set out in Part 1 of this document which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. Your attention is also drawn to the section entitled "*Actions to be Taken*" in the Letter from the Chair in Part 1 of this document.

Dated 27 February 2025

## CONTENTS

NOTICE FOR US SHAREHOLDERS.....	4
EXPECTED TIMETABLE.....	6
PART 1 - LETTER FROM THE CHAIR.....	7
PART 2 - AMENDED INVESTMENT OBJECTIVE AND INVESTMENT POLICY.....	20
PART 3 - LETTER FROM CAVENDISH CAPITAL MARKETS LIMITED.....	23
PART 4 - TERMS AND CONDITIONS OF THE TENDER OFFER.....	26
PART 5 - RISK FACTORS.....	38
PART 6 - UNITED KINGDOM TAXATION IN RELATION TO THE TENDER OFFER.....	40
DEFINITIONS .....	41
NOTICE OF GENERAL MEETING.....	45

## NOTICE FOR US SHAREHOLDERS

The Tender Offer relates to securities in a non-US company registered in England and Wales and listed on the London Stock Exchange and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of England and Wales and the rules of the FCA and of the London Stock Exchange, and US Shareholders should read this entire document. The Tender Offer is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act. The Tender Offer will be made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Exchange Act, subject to the exemptions provided by Rule 14d-1 thereunder and otherwise in accordance with the requirements of the rules of the FCA and the London Stock Exchange. Accordingly, the Tender Offer will be subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures and law. The Company is not listed on a US securities exchange, is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC thereunder. The Tender Offer is being made in the United States solely to Qualifying US Shareholders.

It may be difficult for US Shareholders to enforce certain rights and claims arising in connection with the Tender Offer under US federal securities laws since the Company is located outside the United States and its officers and directors reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

To the extent permitted by applicable law and in accordance with normal UK practice, the Company, Cavendish or any of their affiliates, may make certain purchases of, or arrangements to purchase, Ordinary Shares outside the United States during the period in which the Tender Offer remains open for acceptance, including sales and purchases of Ordinary Shares effected by Cavendish acting as market maker in the Ordinary Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the Exchange Act by virtue of Rule 14e-5(b) thereunder, such purchases, or arrangements to purchase, must comply with the applicable English law and regulation, including the listing rules of the FCA, and the relevant provisions of the US Exchange Act. In addition, in accordance with normal UK market practice, Cavendish and its affiliates may continue to act as market makers in the Ordinary Shares and may engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law. The Company may continue to buy back Ordinary Shares under its current buyback programme. Any information about such purchases will be disclosed as required in the UK and the United States and, if required, will be reported via a Regulatory Information Service and available on the London Stock Exchange website at <http://www.londonstockexchange.com>.

The receipt of cash pursuant to the Tender Offer may be a taxable transaction for US federal income tax purposes. In addition, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States.

**Each US Shareholder should consult and seek individual tax advice from an appropriate professional adviser.**

Any Qualifying US Shareholder that intends to participate in the Tender Offer should file a completed Form W-9 with the Company's Registrar, Computershare Investor Services PLC, before the closing of the Tender Offer at 1.00 p.m. (London time) on 17 April 2025. Qualifying US Shareholders should send completed Forms W-9 to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom. In all cases, the relevant Qualifying US Shareholder's name and address must be supplied to Computershare on a covering note so Computershare can identify the relevant account on the Register against the relevant Tender Offer acceptance.

Qualifying US Shareholders with any queries regarding the submission of a Form W-9 should contact Computershare on +44 (0370) 873 5879. Calls outside the United Kingdom will be

charged at the applicable international rate. Computershare are open between 8.30 a.m. – 5.30 p.m., Monday to Friday (excluding public bank holidays in England and Wales). Please note, Computershare Investor Services PLC can only provide information regarding the submission of forms and cannot provide you with advice on the merits of the Tender Offer or as to whether Shareholders should take up the Tender Offer or provide any personal, legal, financial or tax advice.

Neither the Tender Offer nor this document have been approved, disapproved or otherwise recommended by the SEC, any US state securities commission or any other US regulatory authority, nor have such authorities passed upon the merits or fairness of the Tender Offer or determined the adequacy of the information contained in this document. Any representation to the contrary is a criminal offence.

## EXPECTED TIMETABLE

Latest time and date for receipt of proxy appointments (whether online, via a CREST Proxy Instruction, via Proxymity or by hard copy proxy form) in respect of the General Meeting	12.15 p.m. on 14 April 2025
Record time and date for entitlement to vote at General Meeting	6.00 p.m. on 14 April 2025
General Meeting	12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM concludes or is adjourned)
Results of General Meeting announced	16 April 2025
Latest time and date for receipt of Tender Forms and TTE Instructions	1.00 p.m. on 17 April 2025
Record Date for Tender Offer	6.00 p.m. on 17 April 2025
Calculation Date	close of business on 17 April 2025
Results of Tender Offer and Tender Price announced	22 April 2025
CREST accounts settled in respect of unsold tendered Ordinary Shares held in uncertificated form	29 April 2025
Payments through CREST made in respect of Ordinary Shares held in uncertificated form successfully tendered	29 April 2025
Cheques dispatched in respect of Ordinary Shares held in certificated form successfully tendered and balancing share certificated dispatched	29 April 2025

*All references to times in this document are to London time unless otherwise stated.*

*The times and dates set out in the expected timetable may be adjusted by the Company in consultation with Cavendish, in which event details of the new times and/or dates will be notified to Shareholders by an announcement made by the Company through a Regulatory Information Service.*

## PART 1 – LETTER FROM THE CHAIR

# BLACKROCK AMERICAN INCOME TRUST PLC

*(Incorporated and registered in England and Wales with registered number 8196493.  
An investment company within the meaning of section 833 of the Companies Act 2006)*

*Directors:*

Alice Ryder (Chair)  
David Barron  
Melanie Roberts  
Solomon Soquar

*Registered Office:*

12 Throgmorton Avenue  
London  
EC2N 2DL

27 February 2025

Dear Shareholder

### **PROPOSED AMENDMENTS TO THE COMPANY'S INVESTMENT OBJECTIVE AND INVESTMENT POLICY, TENDER OFFER AND NOTICE OF GENERAL MEETING**

#### **1. Introduction**

The Board recognises that the Company's investment performance relative to the Russell 1000 Value Index has been challenged for some time. Further, the Board has sought to offer Shareholders active investment management at a lower cost and to identify a differentiated investment strategy that Shareholders will find appealing and which better enables the Company to achieve greater scale.

Over the last 9 months, the Board engaged with its advisers to consider a number of strategic options available to the Company to address these points. As part of this review of options the Board also considered Shareholder feedback on the Company's current strategy.

Accordingly, following a thorough review and after careful consideration, and subject to the approval of Shareholders, the Board is proposing to amend the Company's investment approach (including its investment objective and investment policy) based on a proposal that was presented by BlackRock which is focused on a systematic active equity strategy. Shareholders should note that if the Continuation Vote is not passed at the 2025 AGM, the Proposals will not be put to Shareholders and the General Meeting will be adjourned.

A summary of the proposed key changes in the investment approach are set out below:

- adopt a systematic active equity investment process. By combining the power of big data, artificial intelligence and human expertise, the systematic investment process offered by BlackRock aims to unlock new ways to seek consistent portfolio outcomes and exploit market inefficiencies; and
- maintain focus on a value investment style but narrow the primary geographic focus of the Company from North America to the US

The strategy will continue to benchmark performance against the Russell 1000 Value Index, providing a diversifier from US growth allocations. There are few US equity-focused investment trusts and fewer focused with a value bias. Subject to the approval of the amendment to the Company's investment objective and investment policy, it is believed the Company will be the first investment trust through which to access a systematic active equity strategy in the UK. Similar to the existing investment policy the portfolio managers will retain the flexibility to invest up to 20 per cent. of gross asset value in securities that are not US equity securities, but in practice the Company is expected to be 100 per cent. invested in US equity securities.

At the same time the Board will take the opportunity to remove the ability to invest in options for investment purposes and write covered call options, which have not been used for a number of years, and following the review of the implications of the United Kingdom's Sustainability Disclosure Requirements last year and the removal of "Sustainable" from the Company's name, the

new approach will remove the ESG baseline screens and ESG outperformance targets. Whilst ESG information and data will still form some of the important inputs of the research and investment process, by removing the ESG commitments the portfolio managers will have access to the entire investment universe.

Feedback from Shareholders has demonstrated that investors appreciate the Company's exposure to the value investment style, in contrast to many other US focused investment trusts, as well as the attractive level of income. The Board has therefore sought to retain and enhance these core elements of the strategy.

The revised strategy will be run by the Investment Manager's Systematic Active Equity team which has nearly four decades of research and investment experience. Further information on the detailed approach of the team is set out below.

### **Enhanced dividend policy and gearing**

Subject to the approval by Shareholders of the amendment to the Company's investment objective and investment policy, the Company will adopt a dividend policy pursuant to which dividends will be calculated and paid quarterly, based on 1.5 per cent. of the NAV at close of business on the last working day of January, April, July and October respectively (being equivalent to 6 per cent. of NAV annually).

The Board will also work with the Investment Manager to introduce gearing to the strategy to make use of the tools available within the investment trust structure.

### **Revised management fees**

In conjunction with, and subject to, the adoption of the new strategy, the Company will also benefit from improved management fee terms, currently charged at 0.70 per cent. of the Net Asset Value per annum, with management fees to be charged on the following basis:

- 0.35 per cent. of the Net Asset Value up to and including £350 million; and
- 0.3 per cent. of the Net Asset Value in excess of £350 million.

### **Tender Offer and introduction of new regular discount control mechanism**

The Board is mindful that the Ordinary Shares have traded at a discount to Net Asset Value for some time and, subject to Shareholder approval of the Proposals, has consequently determined to implement a tender offer that will give Shareholders the opportunity to tender up to 20 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) at a discount of 2 per cent. to the cum-income NAV per Ordinary Share as at close of business on the Calculation Date adjusted for the related portfolio realisation costs.

In addition, subject to Shareholder approval of the amendment to the Company's investment objective and investment policy, the Board will introduce an update to the Company's discount management policy in respect of each 3-year period from 1 May 2025 (a "**Calculation Period**"). This update will offer Shareholders the opportunity to tender for up to 100 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) at a tender price reflecting the latest cum-income NAV per Ordinary Share less 2 per cent. and adjusted for the related portfolio realisation costs where the annualised total NAV return of the Company does not exceed the annualised benchmark return (being the Russell 1000 Value Index) GBP (net total return) by more than 50 basis points over the relevant Calculation Period<sup>1</sup>. The Board may also, at its discretion, determine to implement a tender offer on the basis set out above where the cum-income Net Asset Value of the Company as at close of business on the last Business Day of a Calculation Period is less than £125 million.

---

1 NAV total return is calculated by the movement in the NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV. The Company's performance reference index (the Russell 1000 Value Index) may be calculated on either a gross or a net total return basis. Net total return ("**NR**") indices calculate the reinvestment of dividends net of withholding taxes using the tax rates applicable to non-resident institutional investors, and hence give a lower total return than indices where calculations are on a gross total return basis. As the Company is subject to the same withholding tax rates for the countries in which it invests, the NR basis is felt to be the most accurate, appropriate, consistent and fair comparison for the Company.



### **Fee holiday and costs contribution**

Finally, subject to the approval of the amendment to the Company's investment objective and investment policy, the Manager has agreed to make a contribution to the costs of the Proposals that do not relate to the Tender Offer, such that the Proposals are cost-neutral to Shareholders in respect of their continuing investment in the Company, and a six-month management fee holiday in respect of the period 1 May 2025 to 31 October 2025.

### **General Meeting**

The proposed change of investment objective and investment policy, the reduction in management fee, the new discount control policy, the enhanced dividend policy, the management fee holiday and contribution to the costs are all conditional on the passing of the resolution to amend the Company's investment objective and investment policy to be proposed at the General Meeting. The Tender Offer is conditional on the passing of both Resolutions to be proposed at the General Meeting.

The purpose of this document is to explain the background to the Proposals and the actions required to be taken in order for them to be implemented and to convene the General Meeting, notice of which is set out at the end of this document, to seek the required Shareholder approvals. The General Meeting will be held at 12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM concludes or is adjourned) at 12 Throgmorton Avenue, London, EC2N 2DL. Further details of the Resolutions to be proposed at the General Meeting are set out below. The expected timetable associated with the Proposals is set out on page 6 of this document.

## **2. Rationale, and benefits of, the Proposals**

The Board believes that the Proposals will offer Shareholders the following benefits:

- **A compelling change of mandate:** The Investment Manager will adopt a modern systematic active equity investment process, while preserving the Company's primary exposure to US equities and maintaining the portfolio's value investment style. By combining the power of big data, artificial intelligence and human expertise, the systematic investment process offered by the Investment Manager aims to unlock new ways to seek consistent portfolio outcomes and exploit market inefficiencies. Further details on the characteristics of this approach are set out below. To date, the board understands that the proposed systematic active equity strategy has not been available in a UK closed-ended investment trust, making this the first opportunity to have access to this strategy.
- **Enhanced dividend policy:** The Company will adopt a dividend policy pursuant to which dividends will be calculated and paid quarterly, based on 1.5 per cent. of the NAV at close of business on the last working day of January, April, July and October respectively (being equivalent to 6 per cent. of NAV annually). Shareholders will be able to maintain exposure to the US equity market, which now represents approximately 74 per cent. of global developed markets, whilst receiving an income yield significantly above the natural yield of the US market. The Board believes the Company's proposed approach may be attractive to investors with an income requirement who do not wish to reduce their US weighting.
- **Reduced management fees and OCR<sup>2</sup>:** The Company will benefit from improved management fee terms which, depending on the number of Ordinary Shares tendered under the Tender Offer, will produce a competitive OCR estimated to be approximately 0.70-0.80 per cent. compared to the Company's current OCR of 1.06 per cent.
- **Partial cash exit:** Based on the current market price of the Ordinary Shares, the Tender Offer is expected to provide Eligible Shareholders who wish to reduce their holdings of Ordinary Shares with an opportunity to do so at a premium to the current market price, whilst permitting Shareholders who wish to retain their investment in the Company to do so, allowing them to benefit from the Company repurchasing its own shares at a price which is expected to be accretive to the NAV per Ordinary Share.
- **Discount/premium management policy:** The Board will introduce an update to the Company's discount/premium management policy in respect of each Calculation Period

---

<sup>2</sup> "OCR" meaning ongoing charges ratio being annualised ongoing charges divided by average undiluted Net Asset Value in the period.

which in certain circumstances will offer Shareholders the opportunity to tender for up to 100 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury). The Board believes that the Tender Offer and updated discount/premium management policy strike the right balance between responding to the Company's discount and preserving scale for the Company, in addition to the Company's existing share buyback programme.

- **Fee holiday and cost contribution from the Manager:** The Manager has agreed to a six-month management fee holiday in respect of the period 1 May 2025 to 31 October 2025 and to make a contribution to the costs of the Proposals that do not relate to the Tender Offer, such that the Proposals are cost-neutral for Shareholders in respect of their continuing investment in the Company.

### **3. Change of investment objective and investment policy**

#### ***Introduction***

As set out above, over the last 9 months, the Board engaged with its advisers to consider a number of strategic options available to the Company and, following a thorough review and after careful consideration, and subject to the approval of Shareholders, the Board is proposing to amend the Company's investment objective and investment policy based on a proposal that was presented by BlackRock which is focused on a systematic active equity strategy.

Feedback from Shareholders has demonstrated that investors appreciate the Company's exposure to the value investment style, in contrast to many other US focused investment trusts, as well as the attractive level of income. The Board has therefore sought to retain and enhance these core elements of the strategy.

#### ***Systematic active equity investment approach***

It is proposed that the Company adopts an investment strategy that employs a systematic active equity approach, which relies on human insight and investment oversight but harnesses big data, machine learning and the power of artificial intelligence to construct portfolios and exploit market inefficiencies. The Board believes a systematic active equity strategy can provide risk-controlled, consistent returns, with the benefit of running an investment mandate at a materially lower cost. The amended investment policy envisages that the Company's portfolio will in future comprise between 150 and 250 equity securities (compared to up to 60 holdings in the current investment policy) as a consequence of employing a systematic active equity approach.

In addition, the Board is keen to take advantage of the closed-ended investment trust structure. Accordingly, the investment policy retains the ability to employ gearing for investment purposes.

The Company's current investment objective is to provide an attractive level of income together with capital appreciation over the long term. The proposed amendments to the Company's investment objective shall retain a focus upon providing long-term capital growth, whilst paying an attractive level of income, which is to be achieved through making use of the systematic active equity investment approach.

Following the review of the implications of the United Kingdom's Sustainability Disclosure Requirements last year and the removal of "Sustainable" from the Company's name, the new approach will not include the ESG baseline screens and ESG outperformance targets. Whilst ESG information and data will still form some of the important inputs of the research and investment process, by removing the ESG commitments the portfolio managers will have access to the entire investment universe.

Further information in respect of the proposed systematic active equity investment strategy and the Investment Manager's SAE team is set out below under the heading "*Systematic Active Equity Investing*".

#### ***Geographic focus***

The Company's current investment policy is to invest primarily through investment in a diversified portfolio of North American equity securities. "**North America**", in accordance with the United Nation's publication "Standard Country or Area Codes for Statistical Use", means Bermuda, Canada, Greenland, Saint Pierre and Miquelon and United States of America and "**North American**"

is construed accordingly. Further currently, no more than 25 per cent. of the gross asset value of the Company, at the time of investment, may be invested in securities outside of North America.

Following consistent Shareholder feedback, it is proposed to narrow the primary geographic focus of the Company from North America to the US and to further restrict the ability of the Company to invest in securities that are not US equity securities to no more than 20 per cent. of the gross asset value of the Company, at the time of investment. Whilst the portfolio managers will retain this flexibility, in practice the Company is expected to be 100 per cent. invested in US equity securities.

#### ***Use of derivatives and ability to write call options***

The Company ceased to deploy an active options overlay strategy in 2021 but retained the flexibility to use options on a selective basis for investment purposes and to write covered call options in respect of its portfolio, if there was a compelling case to do so. Under the amended investment policy the Company will no longer be able to invest in options for investment purposes or to write covered call options in respect of its portfolio which is reflective of both the current and proposed investment strategy.

The Company has received written approval from the Financial Conduct Authority to make the amendments to the Company's investment objective and investment policy described above and set out in Part 2 (*Amended Investment Objective and Investment Policy*) of this document and, consequently, in accordance with the UK Listing Rules, Shareholder approval is now being sought for those amendments at the General Meeting.

## **4. Systematic Active Equity Investing**

### ***The Systematic Active Equity team***

Subject to the amendment to the Company's investment objective and investment policy being approved, the new strategy will be managed by the Investment Manager's Systematic Active Equity ("**SAE**") team which comprises over 90 investment professionals. The SAE team has nearly four decades of research and practical experience of adding value to clients' portfolios through the application of advanced portfolio management techniques. They have been running strategies since 1985 and currently manages £25.4 billion in dedicated US large cap strategies. Throughout its history the team has sought to innovate and evolve the insights used within the investment process, while maintaining the core philosophy of blending human insight, data, and cutting-edge technology.

The SAE team's intellectual capital comes from the high-quality people within the team, their diverse backgrounds and collaboration, working closely together to cross-pollinate ideas. Researchers and portfolio managers are drawn from fields such as accounting, engineering, economics, computer science, finance, physics and have previous expertise at tech firms, NASA, academia as well as competitors. The SAE team leverages its primary base in the San Francisco Bay Area where it hires and retains best in class computer scientists. The Investment Manager believes that scale as well as intellectual capital is required to have on-going success in the scientific quantitative equity field. The SAE team conducts over 100 data trials annually, has a multi-million-dollar annual data budget and has developed technology that enables running a five year "back-test" to assess the viability of a potential investment strategy based upon historical data from the preceding five years in just over a second.

The proposed portfolio managers for the new strategy are:

**Travis Cooke, CFA**, Managing Director, is Head of the US portfolio management group within the SAE team. He is responsible for the management of the US long-only, partial long-short, and long-short equity strategies within SAE.

Mr. Cooke's service dates back to 1999, including his years with Barclays Global Investors ("**BGI**"), which merged with BlackRock in 2009. At BGI, he was a portfolio manager for various developed market strategies within the Alpha Strategies Group. Mr. Cooke earned a BA degree in business economics from the University of California at Santa Barbara in 1998, and an MSc in finance from London Business School in 2008. Additionally, Mr. Cooke has been a CFA charterholder since 2001.

**Muzo Kayacan, CFA**, Director, is a Portfolio Manager and Head of EMEA Product Strategy in the Systematic Active Equity division of BlackRock's Portfolio Management Group. He is responsible for managing Global and European funds as well as overseeing the EMEA Product Strategy team, who provide a link between investment teams and clients.

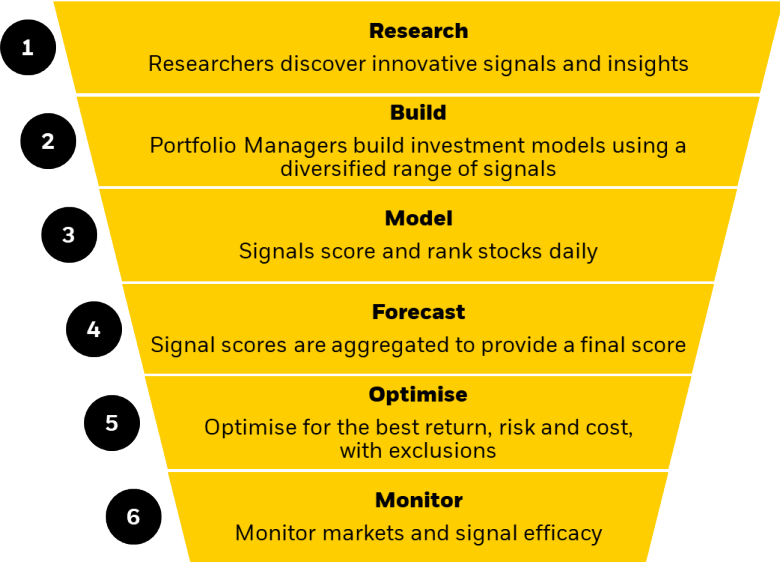
Prior to joining BlackRock in 2010, Mr. Kayacan was a Senior Associate Portfolio Manager at AllianceBernstein, where he was responsible for implementing investment decisions in Global Developed and Emerging Markets institutional equity portfolios, as well implementing active and passive currency hedging strategies. From 2005-2007 he completed a graduate training scheme with M&G, followed by a role in the product development team.

Before joining M&G he was a futures trader. Mr Kayacan earned a bachelors degree in Psychology from Warwick University in 2003. He has been a CFA charterholder since September 2009.

**The Systematic Active Equity investment process**

By combining the power of big data, data science, and human expertise to modernise the way investing is done, systematic active equity investing is unlocking new ways to seek consistent portfolio outcomes.

An overview of the systematic active equity investment process is illustrated in the diagram below:



**Research**

Systematic active equity investing begins with data-driven insights. In the digital age, the SAE team has access to vast amounts of data, from traditional sources like company financial statements and economic reports to more complex unstructured sources like company news stories, web traffic, social media sentiment, consumer geo-location data and even satellite imagery.

By harnessing highly sophisticated analytics techniques like machine learning and artificial intelligence, the SAE team transforms this raw data into useful investment information, providing insights faster, at greater scale, and with more granularity than traditional methods.

After receiving research, the SAE team deploys rigorous scientific testing to learn if these investment insights actually have the potential to help forecast future returns. This process includes a comprehensive examination of empirical evidence by seasoned investment experts, testing different combinations of variables and comparing the results to known outcomes. This ability to validate insights means portfolio decisions are firmly evidence-based and not dependent on human conviction alone.

## Build

Finally, when an insight is shown to be valuable, the SAE team employs a disciplined portfolio construction process to implement it. The SAE team's investment experts use computers to model the many complex trade-offs involved, finding a balance between expected return, risk, correlation, and cost to guide any allocation decisions.

## Model

The SAE team's systematic active equity investment process leverages vast sets of data, both traditional and alternative, to provide investment insights faster, at greater scale and with more granularity. It scores and ranks thousands of securities daily to help make investment decisions in real time, based on company fundamentals, market sentiment and macroeconomic themes.

The SAE team's fundamental signals perform the same analysis a traditional security analyst might and its models leverage data and technology to evaluate systematically thousands of securities. Using alternative data, such as internet search, transaction activity, and geolocation data, the SAE team scores the attractiveness of investment opportunities against more traditional accounting measures.

The SAE team's sentiment signals recognise factors other than fundamental strength can influence returns over shorter time frames. Sentiment signals analyse a broad range of market views from sell side analysts, company management, and other investors<sup>3</sup>. By analysing at scale electronically the language and precise words used by analysts and company management in their communications, this enables the SAE team's models to identify where analysts and management are more positive (or negative) on a company's outlook.

The SAE team's macroeconomic signals seek to form a view across groups of securities rather than individual companies. For example, the team analyses the impact of positive hiring trends or adverse inflationary pressures across a universe of securities. The team also evaluates the impact of macroeconomic data among countries, industries, and equity styles, such as value and growth.

## Forecast

The final score for every security is a weighted combination of all signals, blending the views across these insights.

The final "alpha" score represents the SAE team's assessment of the return potential of each security relative to all the others within the investible universe.

## Optimise

The SAE team's investment process seeks to capture systematically the drivers of future returns, to create a portfolio that seeks to maximise exposure to its signal views. The team constructs portfolios starting with the final alpha scores referred to above and size positions aligned with these scores.

However, alpha scores do not provide any information about risk and implementation frictions such as transaction costs and constraints. To account for this, the SAE team takes into consideration the expected return of a position, alongside an assessment of its potential risk using a multi-factor risk model.

The final output is intended to capture the broadest possible opportunity set within the target market, as the SAE team seeks to achieve the best possible trade-off between risk and return net of transaction costs.

## Monitor

The SAE team continually look to develop new ideas and review the live performance of existing investment insights and strategies. A continuous feedback loop connects portfolio results to the research process, providing an avenue for constant improvement and innovation.

The portfolio managers aim to maintain a Beta of 1, meaning the risk and volatility within the portfolio should be equal to the Russell 1000 Value Index. They seek to add value in a risk controlled, consistent manner by constructing a diversified portfolio of 150-250 securities.

---

<sup>3</sup> "Sell side" refers to a portion of the financial industry that issues, sells, or trades securities in the public market.

## 5. Enhanced dividend policy

The Company currently has a dividend policy of paying four equal quarterly interim dividends financed through a combination of available net income in each financial year and revenue and capital reserves. In respect of the financial year ended 31 October 2024, the Company paid four quarterly interim dividends of 2.00p per Ordinary Share.

If the amendment to the Company's investment objective and investment policy is approved, the Company will adopt a dividend policy pursuant to which dividends are calculated and paid quarterly, based on 1.5 per cent. of the NAV at close of business on the last working day of January, April, July and October respectively (being equivalent to 6 per cent. of NAV annually). Dividends may continue to be financed through a combination of available net income in each financial year and revenue and capital reserves although it is anticipated that a greater proportion of the dividend will be financed by capital reserves.

Shareholders will be able to maintain exposure to the US equity market, which now represents approximately 74 per cent. of global developed markets, whilst receiving an income yield significantly above the natural yield of the US market. The Board believes the Company's proposed approach may be attractive to investors with an income requirement who do not wish to reduce their US weighting.

## 6. Tender Offer

The Tender Offer is being implemented to give Shareholders (other than certain Overseas Shareholders) the opportunity to tender up to 20 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) at a discount of 2 per cent. to the cum-income NAV per Ordinary Share as at close of business on the Calculation Date adjusted for the related portfolio realisation costs. The Company retains the flexibility to continue to buy back Ordinary Shares under its current buyback programme.

Under the terms of the Tender Offer:

- Eligible Shareholders will be able to tender up to 20 per cent. of the Ordinary Shares registered in their names on the Register as at the Record Date (the "**Basic Entitlement**"), rounded down to the nearest whole number of Ordinary Shares.
- Any Eligible Shareholder tendering up to their Basic Entitlement will have their tender satisfied in full.
- Any Eligible Shareholder may tender shares in excess of their Basic Entitlement (an "**Excess Application**"), and such Excess Application will be satisfied if there are sufficient remaining Available Shares.
- Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications, should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of certain Overseas Shareholders not being permitted to participate in the Tender Offer.
- The Tender Price will take account of the costs and expenses of the Tender Offer (including stamp duty and related portfolio realisation costs) and accordingly such costs and expenses will be borne by Tendering Shareholders.

The Record Date for participation in the Tender Offer is 6.00 p.m. on 17 April 2025. The Tender Offer is conditional on the passing of the Resolutions set out in the notice of the General Meeting at the end of this document. The Tender Offer is also subject to certain conditions set out in paragraph 2 of Part 4 of this document. In addition, the Tender Offer may be suspended or terminated in certain circumstances, as set out in paragraphs 2 and 8 of Part 4 of this document.

Ordinary Shares that are tendered for acceptance under the Tender Offer may not be sold, transferred, charged or otherwise disposed of. Ordinary Shares that are tendered for acceptance under the Tender Offer may only be withdrawn with the prior consent of the Board.

Shareholders' attention is drawn to the letter from Cavendish in Part 3 of this document and to the details set out in Part 4 of this document which, together (where applicable) with the Tender Form, constitute the terms and conditions of the Tender Offer. Details of how to tender Ordinary Shares can be found in paragraph 3 of part 4 of this document.

In making the Tender Offer, Cavendish will purchase the Ordinary Shares which have been validly tendered as principal by means of an on-market purchase from tendering Shareholders and will sell the tendered Ordinary Shares acquired by it on to the Company pursuant to the terms of the Repurchase Agreement. Ordinary Shares acquired by the Company from Cavendish under the Repurchase Agreement may be held in treasury or cancelled.

The Tender Offer is not available to certain Overseas Shareholders. The attention of Overseas Shareholders is drawn to paragraph 9 of part 4 of this document.

The Tender Offer is being made to US Shareholders in compliance with the applicable US tender offer rules under the US Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of English law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The attention of US Shareholders is drawn to the section titled “*Notice For US Shareholders*” on page 4 of this document and paragraph 10 of Part 4 of this document.

## **7. Reduction in management fees and fee holiday**

In conjunction with, and subject to, the proposed adoption of the new strategy, the Company will benefit from improved management fee terms, with management fees to be charged on the following basis:

- 0.35 per cent. of the Net Asset Value up to and including £350 million; and
- 0.30 per cent. of the Net Asset Value in excess of £350 million.

This compares with the Company’s current management fees of 0.7 per cent. per annum of the Net Asset Value.

Depending on the number of Ordinary Shares tendered under the Tender Offer, the revised management fees will produce a competitive OCR estimated to be approximately 0.70–0.80 per cent. compared to the Company’s current OCR of 1.06 per cent.

In addition, the Manager has agreed to a six-month management fee holiday in respect of the period 1 May 2025 to 31 October 2025.

## **8. Discount/premium management policy**

The Directors recognise the importance to investors that the market price of the Company’s shares should not trade at a significant premium or discount to the underlying Net Asset Value per Ordinary Share. Accordingly, the Directors monitor the share price closely, receiving regular updates from the Investment Manager and the Company’s corporate broker, Cavendish, and in normal market conditions may use the Company’s share buy back and share issue powers to ensure that the share price does not go to an excessive discount or premium.

Over the Company’s financial year to the end of October 2024, the Company’s shares have traded at an average discount of 9.6 per cent. During the year, the Company purchased 8,280,074 Ordinary Shares at an average price of 194.78p per Ordinary Share at an average discount of 9.9 per cent. for a total cost of £16,128,000. The buy back of Ordinary Shares during the financial year provided a gross capital uplift of £1.75 million (1.07 per cent. of daily average Net Asset Value). Since the year end and up to the Latest Practicable Date, a further 3,136,986 Ordinary Shares have been bought back at an average price of 205.06p per Ordinary Share for a total cost of £6,449,000. Of the 11,417,060 Ordinary Shares bought back, all were placed in treasury and 5,000,000 were subsequently cancelled. No Ordinary Shares were issued during the financial year to the end of 2024 and up to the Latest Practicable Date.

As set out above, the Board is mindful that the Ordinary Shares have traded at a discount to Net Asset Value for some time and therefore, subject to Shareholder approval of the Proposals, has determined that the Company implement the Tender Offer. In addition, subject to Shareholder approval of the amendment to the Company’s investment objective and investment policy, the

Board will introduce an update to the Company's discount management policy in respect of each Calculation Period. This update will offer Shareholders the opportunity to tender for up to 100 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) at a tender price reflecting the latest cum-income NAV per Ordinary Share less 2 per cent. and adjusted for the related portfolio realisation costs where the annualised total NAV return of the Company does not exceed the annualised benchmark return (being the Russell 1000 Value Index) GBP (net total return) by more than 50 basis points over the relevant Calculation Period<sup>4</sup>.

The Board may also, at its discretion, determine to implement a tender offer on the basis set out above where the cum-income Net Asset Value of the Company as at close of business on the last Business Day of the relevant Calculation Period is less than £125 million.

The making and implementation of each tender offer will be conditional, amongst other things, upon the Company having the required shareholder authority or such shareholder authority being obtained, the Company having sufficient distributable profits to effect the repurchase of any successfully tendered shares and, having regard to its continuing financial requirements, sufficient cash reserves to settle the relevant transactions with Shareholders and the Company's triennial continuation vote having been approved at the annual general meeting that immediately precedes the end of the relevant Calculation Period. The Board believes that a three-year performance target provides sufficient time for the Investment Manager to implement its investment strategy, and it believes that it is in Shareholders' interests as a whole that this time period for assessing performance be adopted.

The Board believes that the tender offer proposals strike the right balance between responding to the Company's discount and preserving scale for the Company in addition to the Company's existing share buyback programme.

At the general meeting of the Company held on 23 January 2025, Shareholders voted in favour of a special resolution to authorise the Company to buy back up to 14.99 per cent. of the issued share capital (the "**Buyback Authority**"). Shareholders will be asked to vote upon the renewal of the Buyback Authority at the Company's annual general meeting to be held on 16 April 2025. The Buyback Authority is separate and in addition to the authority being sought in respect of the Tender Offer at the General Meeting.

## **9. Costs and expenses of the Proposals**

Subject to the approval of the amendment to the Company's investment objective and investment policy, the Manager has agreed to make a contribution to the costs of the Proposals that do not relate to the Tender Offer, such that the Proposals are cost-neutral for Shareholders in respect of their continuing investment in the Company (the "**Cost Contribution**").

The amount of the Cost Contribution will be payable to the Company following approval of the amendment to the Company's investment objective and investment policy, and the Manager may elect to settle the Cost Contribution by way of offset against the management fees payable to the Manager under the Investment Management Agreement.

In the event the Proposals are not approved, the Company will bear its costs and expenses of the Proposals in their entirety, which are expected to be approximately £170,000, exclusive of VAT, where applicable.

The fixed costs and expenses (excluding stamp duty/stamp duty reserve tax, broker commission and the estimated related portfolio realisation costs) relating to the Tender Offer assuming that the Tender Offer is taken up in full are expected to be approximately £69,000, exclusive of VAT, where applicable. The fixed costs and expenses relating to the Tender Offer include a proportionate share of the fixed costs and expenses of the Proposals that do not relate solely to the Tender Offer calculated by reference to the proportion of the Company's issued share capital

---

<sup>4</sup> NAV total return is calculated by the movement in the NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV. The Company's performance reference index (the Russell 1000 Value Index) may be calculated on either a gross or a net total return basis. Net total return ("**NR**") indices calculate the reinvestment of dividends net of withholding taxes using the tax rates applicable to non-resident institutional investors, and hence give a lower total return than indices where calculations are on a gross total return basis. As the Company is subject to the same withholding tax rates for the countries in which it invests, the NR basis is felt to be the most accurate, appropriate, consistent and fair comparison for the Company.



tendered pursuant to the Tender Offer (excluding Ordinary Shares held treasury). Such fixed costs and expenses, the broker commission and the stamp duty/stamp duty reserve tax payable on the repurchased Ordinary Shares will be borne by Tendering Shareholders through the application of the 2 per cent. discount applied to the Company's cum-income Net Asset Value per Ordinary Share as at the Calculation Date.

If the Calculation Date had been the close of business on 20 February 2025 and assuming the Tender Offer is taken up in full and stamp duty/stamp duty reserve tax, broker commission and estimated related portfolio realisation costs of £271,000, the Tender Price would have been 223.6724p compared to the Ordinary Share price as at that date of 211.00p.

## **10. The European Union's Sustainable Finance Disclosure Regulation and the United Kingdom's Sustainability Disclosure Requirements**

If the amendment to the investment objective and investment policy is approved, the Company will cease to meet the requirements of an Article 8 fund under the European Union's Sustainable Finance Disclosure Regulation and will become an Article 6 fund. The removal of the Company's ESG commitments will also mean that the Company is not required to produce ESG related pre-contractual disclosures and will cease to have a consumer facing disclosure setting out its sustainability credentials, in accordance with the requirements of the United Kingdom's Sustainability Disclosure Requirements.

## **11. Risk Factors**

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

## **12. Taxation**

Shareholders are advised to read carefully the section headed "*United Kingdom Taxation in Relation to the Tender Offer*" in part 6 of this document which sets out a general guide to certain aspects of current UK tax law and HMRC published practice.

**Nothing in this document constitutes or should be relied on as tax advice. All Shareholders should consult an appropriate independent professional adviser as to the tax consequences for them of the matters referred to in this document.**

## **13. General Meeting**

The implementation of the Proposals requires the approval of Shareholders. Further, if the Continuation Vote is not passed at the 2025 AGM, the Proposals will not be put to Shareholders and the General Meeting will be adjourned.

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

- Resolution 1, which will be proposed as an ordinary resolution, to approve the proposed changes to the Company's investment objective and investment policy; and
- Resolution 2, which will be proposed as a special resolution, to authorise the Directors to buyback up to 13,714,396 Ordinary Shares (or, if less, that number of Ordinary Shares that is equal to 20 per cent. of the Company's issued share capital on the Record Date (excluding Ordinary Shares held in treasury), pursuant to the Tender Offer, which will be proposed as a special resolution.

The proposed change of investment objective and investment policy, the reduction in management fee, the new discount control policy, the enhanced dividend policy, the management fee holiday and contribution to the costs are all conditional on the passing of Resolution 1. The Tender Offer is conditional on the passing of both Resolutions to be proposed at the General Meeting.

Notice convening a General Meeting which will be held at the registered office of the Company (12 Throgmorton Avenue, London, EC2N 2DL) at 12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM concludes or is adjourned), is set out at the end of this document.

An ordinary resolution requires a majority of at least 50 per cent. of votes cast to be in favour in order for it to be passed, whereas a Special Resolution requires a majority of at least 75 per cent. of votes cast to be in favour in order for it to be passed.

The Resolutions will be voted on by way of a poll. The Board believes a poll is more representative of Shareholders' voting intentions because Shareholders' votes are counted according to the number of Ordinary Shares held and all votes validly tendered are taken into account. The results of the poll will be published on the Company's website and will be released via a Regulatory Information Service as soon as practicable following the close of the General Meeting.

Shareholders are encouraged to take the recommended action before the General Meeting as set out in Paragraph 13 of this document, which includes voting, whether online, via a CREST Proxy Instruction, via Proxymity or by a hard copy proxy form in accordance with the instructions contained therein.

The Board strongly urges Shareholders to vote by proxy on the Resolutions as early as possible and the Board recommends that Shareholders appoint the Chair of the General Meeting as their proxy and no-one else.

#### **14. Action to be taken by Shareholders**

##### ***Voting on the Proposals***

Shareholders will find enclosed with this document a personalised Form of Proxy for use in connection with the General Meeting. Submission of the Form of Proxy will enable your vote to be counted at the General Meeting in the event of your absence.

Shareholders are asked to complete and return the Form of Proxy, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's registrars, Computershare Investor Services PLC by no later than 12.15 p.m. on 14 April 2025. The Form of Proxy can be returned by delivery to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, by completing it online at [www.eproxyappointment.com](http://www.eproxyappointment.com), or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice of General Meeting and the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). Institutional investors may also be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io).

**Shareholders are requested to complete and return the Form of Proxy whether or not they wish to attend the General Meeting. The return of the Form of Proxy will not prevent Shareholders from attending the General Meeting, or any adjournment thereof, and voting in person should they so wish.**

##### ***Tender Offer***

**SHAREHOLDERS WHO DO NOT WISH TO TENDER THEIR SHARES IN THE COMPANY SHOULD NOT COMPLETE OR RETURN A TENDER FORM OR SUBMIT A TTE INSTRUCTION IN CREST.**

Only those Eligible Shareholders who wish to tender Ordinary Shares and hold their Ordinary Shares in certificated form should complete and return a Tender Form. Those Eligible Shareholders who hold their Ordinary Shares in uncertificated form do not need to complete or return a Tender Form.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Ordinary Shares in certificated form should complete the Tender Form in accordance with the instructions set out thereon and return the completed Tender Form to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, United Kingdom, to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on 17 April 2025.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Ordinary Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares tendered with their Tender Form.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Ordinary Shares in uncertificated form should also arrange for the relevant Ordinary Shares to be transferred to escrow by means of a TTE Instruction as described in paragraph 3.2 of part 4 of this document.

Shareholders holding their Ordinary Shares through investor platforms may tender their Ordinary Shares through their nominee platforms. Shareholders should be aware that the deadlines for tendering Ordinary Shares (through platforms) may be earlier than the Tender Offer Closing Date.

#### **15. Recommendation**

The Board considers the Proposals and the Resolutions to be proposed at the General Meeting to be in the best interests of the Shareholders taken as a whole.

**Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings, which total 40,547 Ordinary Shares (representing 0.06 per cent. of the issued share capital of the Company as at the Latest Practicable Date (excluding any Ordinary Shares held in treasury)). None of the Directors intend to tender any of their Ordinary Shares pursuant to the Tender Offer.**

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should tender their Ordinary Shares pursuant to the Tender Offer. The extent to which a Shareholder participates in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document.

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

Yours Sincerely

**Alice Ryder**  
*Chair*

## PART 2 - AMENDED INVESTMENT OBJECTIVE AND INVESTMENT POLICY

*Note: Additions to the investment objective and investment policy are indicated with underlining and deletions are indicated with strikethrough.*

### **Investment objective**

The Company's investment objective is to provide long-term capital growth, whilst paying an attractive level of income together with capital appreciation over the long-term, whilst incorporating the ESG commitments described in the Company's investment policy.

### **Investment policy**

The Company invests ~~primarily~~ predominantly in a diversified portfolio of North American\* US equity securities, with a focus systematic (i.e. rules based) active investment approach, focussing on large-cap and medium-cap companies that pay and grow their dividends. "North America", in accordance with the United Nation's publication "Standard Country or Area Codes for Statistical Use", means Bermuda, Canada, Greenland, Saint Pierre and Miquelon and United States of America and "North American" shall be construed accordingly. The Company may also invest in the equity securities of companies outside North America, subject to the restrictions set out below, and may invest in securities denominated in currencies other than the official currencies of the relevant countries or areas within North America. The Company may also hold. A security is a US equity security if: (i) the equity security is listed, quoted or traded on a US stock exchange; or (ii) the majority of the company's economic exposure is to the US. Subject to the restrictions set out below, the Company may also invest in (i) equity securities that are not US equity securities and (ii) other securities from time-to-time including, inter alia, options, futures contracts, convertible securities, fixed interest securities, preference shares, non-convertible preferred stock and depositary receipts (such securities other than equity securities, together "Other Securities"). The Company may also write covered call options in respect of its portfolio. The Company does not invest in companies which are not listed, quoted or traded on an exchange at the time of investment, although it may have exposure to such companies where, following investment, the relevant securities cease to be listed, quoted or traded on an exchange.

The Investment Manager adopts a stock specific approach in managing the Company's portfolio, selecting investments that it believes will both increase in value over the long-term and provide income.

The Investment Manager seeks to pursue the Company's investment objective by investing in a systematic manner, harnessing big data, using machine learning and the power of artificial intelligence to inform proprietary return forecast models that incorporate quantitative (i.e. mathematical or statistical) analysis. These forecast models are designed to identify aspects of mispricing across stocks which the Investment Manager can seek to capture by over- and under-weighting particular equities while seeking to control incremental risk. The Investment Manager then constructs and rebalances the portfolio by integrating its investment insights with the model-based optimisation process. The Company has no stated minimum holding period for investments and may buy or sell securities whenever the Investment Manager sees an appropriate opportunity. The Investment Manager may engage in active and frequent trading of investments.

Typically, it is expected that the investment portfolio will comprise between 30150 and 60250 equity securities.

### **Use of derivatives**

The Company may invest in derivatives for efficient portfolio management ~~and in options for investment purposes and may, for investment purposes, write covered call options in respect of its portfolio.~~ Any use of derivatives for efficient portfolio management ~~and/or options for investment purposes~~ is made based on the same principles of risk spreading and diversification that apply to the Company's direct investments.

~~For the avoidance of doubt, the Company does not enter into physical or synthetic short positions or write any uncovered options.~~

### **Risk diversification**

Portfolio risk is mitigated by investing in a diversified spread of investments. In particular, the Company observes the following investment restrictions:

- no single investment (including for the avoidance of doubt, any single derivative instrument), at the time of investment, shall account for more than 10 per cent. of the gross asset value of the Company;
- no more than ~~25~~20 per cent. of the gross asset value of the Company, at the time of investment, shall be invested in securities which are not deemed to be North American\* US equity securities; and
- no more than 35 per cent. of the gross asset value of the Company, at the time of investment, shall be exposed to any one sector;
- ~~no more than 20 per cent. of the gross asset value of the Company, at the time of investment, shall be invested in Other Securities; and~~
- ~~no more than 20 per cent. of the Company's portfolio shall be under option at any given time.~~

~~(\*Securities may be deemed to be North American securities if: (i) the company's principal operations are conducted from North America; or (ii) the company's equity securities are listed, quoted or traded on a North American stock exchange; or (iii) the company does a substantial amount of business in North America; or (iv) the issuer of securities is included in the Company's Reference Index.)~~

### **Investment process and ESG**

~~In managing the Company's portfolio, the Investment Manager, in addition to other investment criteria, takes into account the environmental, social and governance ("ESG") characteristics of the relevant issuers of securities and seeks to deliver a superior ESG outcome versus the Reference Index by aiming for the Company's portfolio to achieve: (i) a better ESG score than the Reference Index; and (ii) a lower carbon emissions intensity score than the Reference Index. The "Reference Index" is the Russell 1000 Value Index or such other index as may be agreed by the Company and the Investment Manager to be appropriate from time to time. However, there can be no guarantee that these aims will be achieved and the ESG rating of the Company's portfolio and its carbon emission intensity score may vary.~~

### **Benchmark**

~~Performance is measured against an appropriate benchmark, the Russell 1000 Value Index.~~

~~The Company will apply the BlackRock EMEA Baseline Screens, as follows:~~

~~The Investment Manager will limit and/or exclude (as applicable) direct investment in corporate issuers which, at the time of purchase, in the opinion of the Investment Manager, have exposure to, or ties with, the following sectors:~~

- ~~(i) the production of certain types of controversial weapons or nuclear weapons;~~
- ~~(ii) the production or, subject to specific revenue thresholds, distribution of firearms or small arms ammunition intended for retail to civilians;~~
- ~~(iii) subject to specific revenue thresholds, the extraction of certain types of fossil fuel and/or the generation of power from them;~~
- ~~(iv) the production of tobacco products or, subject to specific revenue thresholds, certain activities in relation to tobacco-related products; and~~
- ~~(v) issuers which have been deemed to have failed to comply with United Nations Global Compact Principles.~~

~~Should existing holdings, compliant with the above limits and/or exclusions at the time of investment subsequently become ineligible, they will be divested within a reasonable period of time.~~

The BlackRock EMEA Baseline Screens described above are only applied by the Investment Manager to direct investments made by the Company in corporate issuers and accordingly the Company may have exposure to other investments (including, but not limited to, derivatives, money market instruments, units or shares in collective investment schemes, cash and assets that can be turned into cash quickly) which are inconsistent with the BlackRock EMEA Baseline Screens and other exclusionary screens.

Following application of the screening policy outlined above, those companies which have not yet been excluded from investment are then evaluated by the Investment Manager based on their ability to manage the risks and opportunities associated with ESG-consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials. To undertake the required analyses, the Investment Manager may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

### ***Borrowing and gearing policy***

The Company may borrow up to 20 per cent. of its net asset value (calculated at the time of draw down), although typically borrowings are not expected to exceed 10 per cent. of its net asset value at the time of draw down. Borrowings may be used for investment purposes. The Company has entered into a multi-currency overdraft facility for this purpose. The Company may enter into interest rate hedging arrangements.

### ***Currency hedging***

The Company's foreign currency investments are not hedged to Sterling as a matter of general policy. However, the investment team may employ currency hedging, either back to Sterling or between currencies (i.e. cross-hedging of portfolio investments).

### ***Further investment restrictions***

In order to comply with the current Listing Rules, the Company also complies with the following investment restrictions (which do not form part of the Company's investment policy):

- the Company will not conduct any trading activity which is significant in the context of its group as a whole; and
- the Company will not invest more than 10 per cent. of its gross asset value in other listed closed-ended investment funds, whether managed by the Investment Manager or not, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed closed-ended investment funds.

### ***Changes to the investment policy***

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

## PART 3 - LETTER FROM CAVENDISH CAPITAL MARKETS LIMITED

1 Bartholomew Close  
London  
EC1A 7BL

27 February 2025

To: Shareholders of BlackRock American Income Trust plc

Dear Sir or Madam,

### Tender Offer

As explained in the letter from your Chair in Part 1 of this document, Eligible Shareholders are being given the opportunity to tender some or all of their Ordinary Shares for purchase in the Tender Offer. The purpose of this letter is to set out the principal terms and conditions of the Tender Offer.

Cavendish hereby invites Eligible Shareholders to tender Ordinary Shares for purchase by Cavendish for cash at the Tender Price. **This letter is not, however, a recommendation to Eligible Shareholders to tender all or any of their Ordinary Shares. Shareholders who do not wish to tender their Ordinary Shares should not complete or return a Tender Form or submit a TTE Instruction in CREST.**

The Tender Offer is being made for up to 20 per cent. of the existing Ordinary Shares in issue on the Record Date (excluding any Ordinary Shares held in treasury).

Successful tenders will be determined as follows:

- All Eligible Shareholders tendering up to their Basic Entitlement will have their tender satisfied in full.
- In addition, Eligible Shareholders tendering Excess Applications will have their Excess Applications fulfilled if there are remaining Available Shares for such purpose. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of certain Overseas Shareholders not being permitted to participate in the Tender Offer.

The Tender Price will be calculated as set out in paragraph 1 of Part 4 of this document.

The Tender Offer is being made on the terms and subject to the conditions set out in Part 4 of this document and, where applicable, in the case of Shareholders holding their Ordinary Shares in certificated form, in the accompanying Tender Forms.

The Tender Offer will be implemented only if the requisite approval of Shareholders is obtained in respect of the Resolutions to be proposed at the General Meeting and the other conditions to the Tender Offer are met.

Cavendish is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting exclusively for the Company and no-one else in connection with the Proposals, including the Tender Offer, and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cavendish or for providing advice in relation to the Proposals, including the Tender Offer, and the contents of this document or any matter referred to herein. Nothing in this document shall serve to exclude or limit any responsibilities which Cavendish may have under FSMA or the regulatory regime established thereunder.

The Company has agreed to purchase all the Ordinary Shares purchased by Cavendish under the Tender Offer for the Tender Price subject to the terms and conditions, and in accordance with the terms of, the Repurchase Agreement.

### **Procedure for tendering Ordinary Shares**

Eligible Shareholders who wish to tender Ordinary Shares and hold their Ordinary Shares in certificated form should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form to the address on it as soon as possible and, in any event, so as to be received by not later than 1.00 p.m. on 17 April 2025. Eligible Shareholders should at the same time return the share certificate(s) and/or other document(s) of title in respect of any Ordinary Shares tendered which are in certificated form. Only those Eligible Shareholders who hold their Ordinary Shares in certificated form should complete and return a Tender Form. Those Eligible Shareholders who hold their Ordinary Shares in uncertificated form do not need to complete or return a Tender Form.

Eligible Shareholders who wish to tender Ordinary Shares and who hold their Ordinary Shares in uncertificated form (that is, in CREST) should arrange for their Ordinary Shares to be transferred into escrow as described in paragraph 3 of Part 4 of this document.

Further details of the procedure for tendering Ordinary Shares are set out in paragraph 3 of Part 4 of this document and, in the case of certificated Ordinary Shares, in the Tender Form.

### **Transfer of Tendered Shares**

Eligible Shareholders should note that, once tendered, Ordinary Shares may not be sold, transferred, charged, lent or otherwise disposed of. Although the Tender Form for Eligible Shareholders must be returned by 1.00 p.m. on 17 April 2025, the purchase of any Ordinary Shares by Cavendish may not be effected until on or after 29 April 2025. Upon having returned a Tender Form, an Eligible Shareholder is deemed to accept that such a tender application may not be withdrawn or cancelled, save with the consent of the Company before the Closing Date.

### **Validity of Tender Forms and TTE Instructions**

Tender Forms or TTE Instructions which are received by the Receiving Agent after the Closing Date or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and, if relevant, returned to Shareholders or their appointed agent at the relevant Shareholder's risk, together with any accompanying share certificate(s) and/or other document(s) of title.

Cavendish reserves the right to treat as valid Tender Forms or TTE Instructions which are not entirely in order and, in the case of Tender Forms, which are not accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

### **Overseas Shareholders**

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the overseas jurisdiction. Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read paragraph 9 of Part 4 of this document.

### **US Shareholders**

The Tender Offer is being made to US Shareholders in compliance with the applicable US tender offer rules under the US Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of English law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The Tender Offer will be open solely to Qualifying US Shareholders.

The attention of US Shareholders is drawn to the section titled "*Notice for US Shareholders*" on page 4 of this document.



**Conditions**

The Tender Offer is conditional on the passing of the Resolutions set out in the Notice of General Meeting set out at the end of this document on 16 April 2025 (or such later date as the Company and Cavendish may determine). The Tender Offer is also conditional on the other matters described in paragraph 2.1 of Part 4 of this document.

**Termination of the Tender Offer**

The Tender Offer may be terminated in the circumstances described in paragraph 8 of Part 4 of this document.

**Settlement**

Subject to the Tender Offer becoming unconditional, payment of the Tender Price due to Eligible Shareholders whose tenders under the Tender Offer have been accepted is expected to be made on 29 April 2025 in respect of Ordinary Shares held in CREST and cheques in respect of Ordinary Shares held in certificated form will be dispatched by post on 29 April 2025.

**Further Information**

Your attention is drawn to the information contained in the rest of this document, including, in particular, the mechanics of the Tender Offer and the terms and conditions of the Tender Offer in Part 4 of this document.

Yours sincerely

**Cavendish Capital Markets Limited**

## PART 4 – TERMS AND CONDITIONS OF THE TENDER OFFER

### 1 The Tender Offer

- 1.1 All Eligible Shareholders on the Register as at the Record Date may tender Ordinary Shares for purchase by Cavendish (acting as principal). Cavendish will purchase such Ordinary Shares on the terms and subject to the conditions set out in this document and, in the case of Ordinary Shares held in certificated form, the accompanying Tender Form (which, together with this document, constitute the Tender Offer). Shareholders are not obliged to tender any Ordinary Shares.
- 1.2 The Tender Offer is being made at the Tender Price. The Company will determine the number of Ordinary Shares successfully tendered at the Tender Price and such determination will be conclusive and binding on all Shareholders.
- 1.3 The consideration for each tendered Ordinary Share acquired by Cavendish pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 4 of this Part 4.
- 1.4 Upon the Tender Offer becoming unconditional and unless the Tender Offer has been (and remains) suspended or has lapsed or has been terminated in accordance with the provisions of paragraphs 2.3 or 8 of this Part 4, Cavendish will accept the offers of Eligible Shareholders validly made in accordance with this Part 4.
- 1.5 The maximum number of Ordinary Shares that will be acquired by Cavendish under the Tender Offer and subsequently repurchased by the Company pursuant to the Repurchase Agreement will not exceed 20 per cent. of the issued share capital of the Company (excluding Ordinary Shares held in treasury) at the Record Date.
- 1.6 Basic Entitlements will be calculated by reference to registered shareholdings as at the Record Date and will be rounded down to the nearest whole number of Ordinary Shares. Registered Shareholders who hold Ordinary Shares for multiple beneficial owners may decide allocations among such beneficial owners at their own discretion.
- 1.7 Eligible Shareholders may tender Ordinary Shares in excess of their respective Basic Entitlement at the Tender Price. Such Eligible Shareholders will have their Excess Applications fulfilled if there are remaining Available Shares for such purpose. Such Available Shares shall be apportioned to Eligible Shareholders *pro rata* to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of certain Overseas Shareholders not being permitted to participate in the Tender Offer.
- 1.8 The Tender Price will be calculated as follows:
  - (i) the Company will calculate the cum-income Net Asset Value per Ordinary Share as at the Calculation Date. Such Net Asset Value per Ordinary Share shall be calculated before taking account of any fixed costs and expenses of the Tender Offer and any related portfolio realisation costs and, to the extent that any such costs and expenses have already been paid or accrued, the amount thereof shall be added back into the Net Asset Value;
  - (ii) the resulting Net Asset Value per Ordinary Share, calculated in accordance with paragraph 1.8(i) above, shall be multiplied by the number of Ordinary Shares to be purchased by Cavendish pursuant to the Tender Offer to produce the aggregate Net Asset Value of the Tendered Shares and the estimated related portfolio realisation costs incurred or to be incurred by the Company in connection with the implementation of the Tender Offer will be deducted therefrom to produce the formula asset value of the Company for the purposes of the Tender Offer (the “Formula Asset Value”);
  - (iii) a 2 per cent. discount shall then be applied to the Formula Asset Value of the Tendered Shares. The resulting sum will then be divided by the total number of Tendered Shares to four decimal places with 0.00005 pence being rounded down;

- (iv) the Tender Price will be the amount resulting from the application of paragraphs 1.8.(i), 1.8(ii) and 1.8(iii) above to four decimal places with 0.00005 pence being rounded down; and
- (v) except as otherwise stated above, all assets and liabilities of the Company will be taken into account in accordance with the accounting policies of the Company outlined in its audited accounts for the year ended 31 October 2024, save that the amount of any dividends declared but not yet paid will be included as a liability in the calculation of the Net Asset Value.

The 2 per cent. deduction made to the Formula Asset Value of the Tendered Shares through the application of paragraph 1.8(iii) above takes account of the fixed costs and expenses of the Tender Offer (including stamp duty/stamp duty reserve tax) and accordingly Tendering Shareholders will bear such costs and expenses.

- 1.9 The calculation of the Tender Price in accordance with paragraph 1.8 above will take place after the Calculation Date. The Tender Price will be announced via a Regulatory Information Service on or around 22 April 2025.

## **2 Conditions and suspension**

- 2.1 The Tender Offer is conditional on the following conditions (together the “**Conditions**”):

- (i) the passing of the Resolutions set out in the Notice of General Meeting set out at the end of this document by not later than 16 April 2025 or such later date as the Company and Cavendish may agree;
- (ii) the Directors and Cavendish being satisfied that:
  - (A) the Company has sufficient distributable profits (as defined in Section 830 of the Companies Act) to effect the purchase of the Ordinary Shares that have been successfully tendered in accordance with the Repurchase Agreement; and
  - (B) the Company has in its control or to its order the aggregate of the Tender Price for all successfully tendered Ordinary Shares;
- (iii) the Tender Offer not having lapsed or been terminated in accordance with paragraphs 2.2 and 8 below prior to the fulfilment of the Conditions referred to in sub-paragraphs 2.1(i) to 2.1(ii) above; and
- (iv) Cavendish being satisfied, acting in good faith, that (A) at all times up to and immediately prior to the date on which conditions (i), (ii) and (iii) above become satisfied, the Company has complied with its obligations under the Repurchase Agreement and (B) as at the date on which conditions (i), (ii) and (iii) above become satisfied the Company is not in breach of any of the representations and warranties given under the Repurchase Agreement.

- 2.2 Cavendish will not purchase any Ordinary Shares pursuant to the Tender Offer unless the Conditions have been satisfied or, where capable of waiver, waived in full. The Conditions, other than that contained in paragraph (iv) above, may not be waived by Cavendish. If the Conditions are not satisfied or, where capable of waiver, waived prior to the close of business on 17 April 2025, the Company may postpone the completion of the Tender Offer for up to 10 Business Days, after which time the Tender Offer, if not then completed, will lapse.

- 2.3 If the Company (acting through the Directors) shall, at any time prior to Cavendish effecting the purchase as principal of the tendered Ordinary Shares pursuant to the Tender Offer, notify Cavendish in writing that in its reasonable opinion either: (i) it has become impractical or inappropriate for the Company to fund the repurchase of Ordinary Shares pursuant to the Repurchase Agreement without materially harming the interests of Shareholders as a whole; or (ii) the completion of the purchase of Ordinary Shares under the Tender Offer would have unexpected adverse fiscal consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, the Company may either exercise its powers to terminate the Tender Offer in accordance with paragraph 8 of this Part 4 or may postpone the completion of the Tender Offer for up to 10 Business Days, after which the Tender Offer, if not then completed by reason of the postponement circumstances continuing, will lapse.

### **3 Procedure for tendering Ordinary Shares**

There are different procedures for tendering Ordinary Shares depending on whether your Ordinary Shares are held in certificated or uncertificated form.

If you hold Ordinary Shares in certificated form, you may only tender such Ordinary Shares by completing and returning the Tender Form in accordance with the procedure set out in paragraph 3.1 below. Additional Tender Forms are available from the Receiving Agent by telephone on +44 (0) 370 873 5879.

If you hold Ordinary Shares in uncertificated form (that is, in CREST), you may only tender such Ordinary Shares by TTE Instruction in accordance with the procedure set out in paragraph 3.2 below and, if those Ordinary Shares are held under different account IDs, you should send a separate TTE Instruction for each Member Account ID.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for tendering Ordinary Shares, please contact Computershare Investor Services PLC on +44 (0)370 873 5879. Calls outside the United Kingdom will be charged at the applicable international rate. Computershare Investor Services PLC are open between 8.30 a.m. – 5.30 p.m., Monday to Friday (excluding public bank holidays in England and Wales). Please note, Computershare Investor Services PLC can only provide information regarding the completion of forms and the procedure for tendering Ordinary Shares and cannot provide you with advice on the merits of the Tender Offer or as to whether Shareholders should take up the Tender Offer or provide any personal, legal, financial or tax advice.

#### **3.1 Procedure for Ordinary Shares held in certificated form (that is, not in CREST)**

To tender your Ordinary Shares held in certificated form you must complete, sign and have witnessed the Tender Form.

The completed, signed and witnessed Tender Form should be sent either by post in the accompanying reply-paid envelope (for use in the UK only) along with the relevant share certificate(s) and/or other document(s) of title to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 17 April 2025. Cavendish shall be entitled (in its sole discretion) to accept late Tender Forms. No acknowledgement of receipt of documents will be given.

The completed and signed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom by no later than 1.00 p.m. on 17 April 2025 together with any share certificate(s) and/or document(s) of title you may have available, accompanied by a letter of explanation stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 17 April 2025.

The Receiving Agent will effect such procedures as are required to transfer your Ordinary Shares to Cavendish under the Tender Offer. If you have lost your share certificate(s) and/or other document(s) of title, you should write to the Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom to request a letter of indemnity in respect of the lost share certificate(s) which, when completed in accordance with the instructions given, should be returned to the Receiving Agent so as to be received by not later than 1.00 p.m. on 17 April 2025.

By signing the Tender Form, Eligible Shareholders will be deemed to have instructed Cavendish to issue a contract note to the Receiving Agent on behalf of such Eligible Shareholder and to remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

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

If the Ordinary Shares which you wish to tender are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares which you wish to tender under the Tender Offer to an escrow balance, specifying Computershare Investor Services PLC (in its capacity as a CREST receiving agent under its Participant ID and Member Account ID referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to the relevant escrow account settles by no later than 1.00 p.m. on 17 April 2025. Cavendish shall be entitled (in its sole discretion) to accept late transfers to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your Participant ID and the Member Account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send a TTE Instruction to Euroclear in relation to the Ordinary Shares which you wish to tender. You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- the corporate action number of the Tender Offer. This is allocated by Euroclear and will be available on screen from Euroclear;
- the number of Ordinary Shares to be transferred to an escrow balance;
- your Member Account ID;
- your Participant ID;
- the Participant ID of the escrow agent, in its capacity as a CREST receiving agent. This is 3RA14;
- the Member Account ID of the escrow agent. This is BNATEN01;
- the intended settlement date for the transfer to escrow. This should be as soon as possible and, in any event, by no later than 1.00 p.m. on 17 April 2025;
- the ISIN of the Ordinary Shares, which is GB00B7W0XJ61;
- input with the standard delivery instruction, priority 80; and
- a contact name and telephone number in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as your agent until completion, termination or lapsing of the Tender Offer. If the Tender Offer becomes unconditional, the Receiving Agent will transfer the Ordinary Shares which are accepted for purchase to Cavendish.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 17 April 2025. In this regard, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. Cavendish shall be entitled (in its sole discretion) to accept late TTE Instructions to settle.

An appropriate announcement will be made if any of the details contained in this paragraph 3.2 are altered.

### **3.3 Validity of Tender Forms and TTE Instructions**

Notwithstanding the powers in paragraph 12 below, Cavendish reserves the right to treat as valid only: (i) (in the case of Ordinary Shares held in certificated form) Tender Forms which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof; or (ii) (in the case of Ordinary Shares held in uncertificated form) settled TTE Instructions, in each case to be received entirely in order by no later than 1.00 p.m. on 17 April 2025 in respect of the entire number of Ordinary Shares tendered. The Record Date for the Tender Offer is 6.00 p.m. on 17 April 2025.

Notwithstanding the completion of a valid Tender Form or TTE Instruction, the Tender Offer may be suspended, terminated or lapse in accordance with the terms and conditions set out in this Part 4.

Cavendish shall be entitled to accept Tender Forms or TTE Instructions which are received after 1.00 p.m. on 17 April 2025 in its sole discretion. The decision of Cavendish as to which Ordinary Shares have been validly tendered shall be conclusive and binding on all Shareholders.

### **3.4 Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 17 April 2025.

You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

## **4 Settlement under the Tender Offer**

- 4.1 Payment of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by Cavendish is expected to be made by the Receiving Agent as follows:

#### **Ordinary Shares held in certificated form (that is, not in CREST):**

Where an accepted tender relates to Ordinary Shares held in certificated form, cheques for the consideration due will be dispatched by the Receiving Agent on 29 April 2025 by first class post to the person or agent whose name and address is set out in Box 1A (or Box 4) of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named. All cash payments will be made by cheque drawn on a branch of a UK clearing bank.

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

Where an accepted tender relates to Ordinary Shares held in uncertificated form, the consideration due will be paid by means of CREST on (or as soon as practicable after) 29 April 2025 by Cavendish procuring the creation of an assured payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST assured payment arrangements.

- 4.2 The payment of any consideration for Ordinary Shares pursuant to the Tender Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of certificates and/or other requisite documents evidencing such Ordinary Shares, a properly completed and duly executed Tender Form and any other documents required under the Tender Offer.
- 4.3 Payments of consideration will be made in Sterling. Entitlements to a fraction of a penny will be rounded down to the nearest whole penny.

- 4.4 If only a part of a holding of Ordinary Shares is sold pursuant to the Tender Offer or if, because of scaling back of Excess Applications, any tendered Ordinary Shares are not purchased pursuant to the terms of the Tender Offer:
- (i) where the Ordinary Shares are held in certificated form, the relevant tendering Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Ordinary Shares; or
  - (ii) where the Ordinary Shares are held in uncertificated form (that is, in CREST), the unsold Ordinary Shares will be transferred by the Receiving Agent to the original account from which those Ordinary Shares came.

## 5 Tender Form

- 5.1 Each Shareholder by whom, or on whose behalf, a Tender Form in respect of Ordinary Shares held in certificated form is executed irrevocably undertakes, represents, warrants and agrees to and with Cavendish (for itself and for the benefit of the Company) (so as to bind him, her or it, and his, her or its personal representatives, heirs, successors and assigns) that:
- (i) the execution of the Tender Form shall constitute an offer to sell to Cavendish the number of Ordinary Shares inserted in Box 2 of the Tender Form, in each case, on and subject to the terms and conditions set out or referred to in this document and the Tender Form and that, once lodged, such offer shall be irrevocable;
  - (ii) such Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Cavendish, Cavendish will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
  - (iii) if it is a US Shareholder, it is a Qualifying US Shareholder;
  - (iv) the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cavendish as such Shareholder's attorney and/or agent ("**Attorney**"), and an irrevocable instruction to the Attorney to complete and execute all or any instruments of transfer and/or other documents at the Attorney's discretion in relation to the Ordinary Shares referred to in sub-paragraph 5.1(i) above in favour of Cavendish or such other person or persons as Cavendish may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the Attorney, together with the share certificate(s) and/or other document(s) of title relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cavendish or its nominee(s) or such other person(s) as Cavendish may direct such Ordinary Shares;
  - (v) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Cavendish or any of its directors or any person nominated by Cavendish in the proper exercise of its or his or her powers and/or authorities hereunder;
  - (vi) such Shareholder holding Ordinary Shares in certificated form will deliver to the Receiving Agent the share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in sub-paragraph 5.1(i) above, or an indemnity acceptable to Cavendish in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, by no later than the Closing Date;
  - (vii) the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
  - (viii) such Eligible Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cavendish to be desirable, in each case to complete the purchase of the Ordinary Shares referred to in paragraph 5.1(i) above and/or to perfect any of the authorities expressed to be given hereunder;

- (ix) if such Shareholder is an Overseas Shareholder: (i) he, she or it is not in Australia, Canada, Japan, New Zealand or South Africa or in any territory in which it is unlawful to make or accept the Tender Offer; (ii) he, she or it has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located; and (iii) the invitation under the Tender Offer may be made to such Overseas Shareholder under the laws of the relevant jurisdiction;
- (x) such Shareholder has not received or sent copies or originals of this document, any Tender Form or any related documents and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer, that the Tender Form has not been mailed or otherwise sent in, into or from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer, and that such Shareholder is not accepting the Tender Offer from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer;
- (xi) on execution, the Tender Form shall take effect as a deed;
- (xii) the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the Court in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form;
- (xiii) the despatch of a cheque in respect of the Tender Price by the Receiving Agent to a Shareholder at his, her or its registered address or such other address as is specified in the Tender Form will constitute a complete discharge by Cavendish of its obligation to make such payment to such Shareholder; and
- (xiv) if the appointment of Attorney provision under paragraph 5.1(iv) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Cavendish the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cavendish to secure the full benefits of paragraph 5.1(iv) above.

5.2 A reference in this paragraph 5 to a Shareholder includes a reference to the person or persons executing the Tender Form and, in the event of more than one person executing a Tender Form, the provisions of this paragraph 5 will apply to them jointly and to each of them.

## **6 Tenders through CREST**

6.1 Each Shareholder by whom, or on whose behalf, a tender through CREST is made irrevocably undertakes, represents, warrants and agrees to and with Cavendish (for itself and for the benefit of the Company) (so as to bind him, her or it, and his, her or its personal representatives, heirs, successors and assigns) that:

- (i) the input of the TTE Instruction shall constitute an offer to sell to Cavendish such number of Ordinary Shares as are specified in the TTE Instruction or deemed to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this document and that once the TTE Instruction has settled, such tender shall be irrevocable without the consent of Cavendish;
- (ii) such Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Cavendish, Cavendish will acquire such Ordinary Shares with full title guarantee, fully paid and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after the Closing Date including the right to receive all dividends and other distributions declared, paid or made after that date;
- (iii) if it is a US Shareholder, it is a Qualifying US Shareholder;



- (iv) the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as the Shareholder's attorney and/or agent (the "**Attorney**") and an irrevocable instruction and authority to the Attorney (i) subject to the Tender Offer becoming unconditional, to transfer to itself by means of CREST and then to transfer to Cavendish (or to such person or persons as Cavendish may direct) by means of CREST all of the Relevant Shares (as defined below) in respect of which the Tender Offer is accepted or deemed to be accepted (but not exceeding the number of Ordinary Shares which have been tendered pursuant to the Tender Offer); and (ii) if the Tender Offer is terminated or does not become unconditional and lapses, or there are Ordinary Shares which have not been successfully tendered under the Tender Offer, to give instructions to Euroclear, as promptly as practicable after the termination or lapsing of the Tender Offer, to transfer the Relevant Shares to the original accounts from which those Ordinary Shares came. For the purposes of this paragraph 6.1, "**Relevant Shares**" means Ordinary Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this paragraph 6.1(iv);
- (v) such Shareholder will ratify and confirm each and every act or thing which may be done or effected by Cavendish or the Receiving Agent or any of their respective directors or any person nominated by Cavendish or the Receiving Agent in the proper exercise of its or his or her powers and/or authorities hereunder;
- (vi) he, she or it shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cavendish to be desirable, in each case to complete the purchase of the Relevant Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (vii) if such Shareholder is an Overseas Shareholder: (i) he, she or it is not in Australia, Canada, Japan, New Zealand or South Africa or in any territory in which it is unlawful to make or accept the Tender Offer; (ii) he, she or it has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident; or located and (iii) the invitation under the Tender Offer may be made to such Overseas Shareholder under the laws of the relevant jurisdiction;
- (viii) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 3 of this Part 4 will, to the extent of the obligations so created, discharge fully any obligation of Cavendish to pay to such Shareholder the cash consideration to which he, she or it is entitled under the Tender Offer;
- (ix) the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the Court in relation to all matters arising out of or in connection with the Tender Offer;
- (x) if, for any reason, any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to the Closing Date, converted into certificated form, the tender through CREST in respect of such Ordinary Shares shall cease to be valid and the Eligible Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out in this Part 4 in respect of the Ordinary Shares so converted, if the Shareholder wishes to make a valid tender of such Ordinary Shares pursuant to the Tender Offer; and
- (xi) if the appointment of Attorney provision under paragraph 6.1(iv) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Receiving Agent the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Receiving Agent to secure the full benefits of paragraph 6.1(iv) above.

## **7 Additional provisions regarding the Tender Offer**

- 7.1 Each Shareholder may tender some of or all of its holding of Ordinary Shares as at the Record Date by the Closing Date, subject to the scaling back of tenders in excess of such Shareholder's Basic Entitlement on the basis provided in paragraph 1 of this Part 4. In the case of Ordinary Shares held in certificated form, if (i) Box 2 of the Tender Form is not completed; or (ii) if, in Cavendish's determination (in its sole discretion), Box 2 has not been validly completed then such tender may be rejected by Cavendish.

- 7.2 Ordinary Shares acquired by Cavendish under the Tender Offer will be purchased by Cavendish as principal and such purchases will be market purchases within the meaning of section 693(4) of the Companies Act and in accordance with the rules of the London Stock Exchange and the Financial Conduct Authority.
- 7.3 Ordinary Shares sold by Shareholders pursuant to the Tender Offer will be acquired with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date.
- 7.4 Unless it has been suspended or terminated prior to such time in accordance with the provisions of paragraphs 2 and 8 of this Part 4, the Tender Offer will close at 1.00 p.m. on 17 April 2025 and any documentation received after that time will (unless the Receiving Agent, Cavendish and the Company, in their absolute discretion determine otherwise) be returned without any transaction taking place.
- 7.5 Each Shareholder who tenders or procures the tender of Ordinary Shares will thereby be deemed to have agreed that, in consideration of Cavendish agreeing to process his, her or its tender, such Shareholder will not revoke his, her or its tender or withdraw his, her or its Ordinary Shares without the prior written consent of Cavendish. Shareholders should note that, once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.
- 7.6 Subject to paragraph 12 below, all tenders by certificated holders must be made on the relevant prescribed Tender Form, duly completed in accordance with the instructions set out thereon, which constitute part of the terms of the Tender Offer. A Tender Form will only be valid when the procedures contained in these terms and conditions and in the Tender Form are complied with. The Tender Offer and all tenders will be governed by and construed in accordance with English law. Delivery or posting of a Tender Form or submission of a TTE Instruction will constitute submission to the jurisdiction of the Court.
- 7.7 All documents and remittances sent by or to Eligible Shareholders will be sent at their own risk. If the Tender Offer does not become unconditional or is terminated, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 1A or Box 4 (as applicable) of the Tender Form or, if none is set out, to the Shareholder or, in the case of joint holders, the first named at his/her/its registered address. No such documents will be sent to an address in Australia, Canada, Japan, New Zealand, South Africa or in any jurisdiction where it is unlawful to do so. In the case of Ordinary Shares held in uncertificated form, the Receiving Agent, in its capacity as escrow agent will, within 14 Business Days of the Tender Offer terminating or lapsing, give instructions to Euroclear to transfer all Ordinary Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original accounts from which those Ordinary Shares came. In any of these circumstances, Tender Forms will cease to have any effect.
- 7.8 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall, in the case of Ordinary Shares held in certificated form, constitute part of the terms of the Tender Offer. The Definitions set out at the end of this document apply to the terms and conditions set out in this Part 4.
- 7.9 The decision of Cavendish as to which Ordinary Shares have been successfully tendered shall be final and binding on all Shareholders.
- 7.10 Further copies of this document and the Tender Form may be obtained on request from the Receiving Agent at the addresses set out in the Tender Form.
- 7.11 Ordinary Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from Cavendish by the Company on the London Stock Exchange pursuant to the Repurchase Agreement and may be cancelled or held in treasury.

7.12 Tendering Shareholders will not be obliged to pay brokerage fees, commissions or transfer taxes or stamp duty or stamp duty reserve tax in the UK on the purchase by Cavendish of Ordinary Shares pursuant to the Tender Offer or on the repurchase (if any) by the Company thereafter.

## **8 Termination of the Tender Offer**

If the Company (acting through the Directors) shall at any time prior to Cavendish effecting the purchase as principal of the tendered Ordinary Shares pursuant to the Tender Offer notify Cavendish in writing that in its reasonable opinion either: (i) it has become impractical or inappropriate for the Company to fund the repurchase of Ordinary Shares pursuant to the Repurchase Agreement without materially harming the interests of Shareholders as a whole; or (ii) the completion of the purchase of Ordinary Shares under the Tender Offer would have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, the Company shall be entitled at its complete discretion to terminate the Tender Offer by a public announcement and a subsequent written notice to Shareholders, in which event the Tender Offer shall terminate immediately or as otherwise specified in such announcement.

## **9 Overseas Shareholders**

9.1 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or custodians, nominees or trustees for citizens, nationals or residents of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Shareholders who are Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to tender for purchase Ordinary Shares to satisfy himself, herself, or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Shareholder will be responsible for the payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and Cavendish and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay.

9.2 In particular, the Tender Offer is not being made available directly or indirectly in or into or by the use of the mails or by any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange of, Australia, Canada, Japan, New Zealand or South Africa or of any territory in which it is unlawful to make or accept the Tender Offer. Accordingly, save as provided in the next sentence, copies of this document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into or from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer, including to Shareholders with registered addresses in Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer or to persons who are custodians, nominees or trustees holding Ordinary Shares for persons in Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer. However, copies of this document may be mailed or otherwise distributed to Shareholders in Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer or to persons who Cavendish knows to be custodians, nominees or trustees holding Ordinary Shares for persons in Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer for the purpose of voting at the General Meeting only. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and doing so will render invalid any purported acceptance of the Tender Offer. Persons wishing

to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked in Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer or otherwise dispatched from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer and all accepting Shareholders must provide addresses outside Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer for the remittance of cash or return of Tender Forms and share certificate(s) or other document(s) of title.

- 9.3 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related documents in, into or from Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facility of a national securities exchange of Australia, Canada, Japan, New Zealand, South Africa or any territory in which it is unlawful to make or accept the Tender Offer in connection with such forwarding, such persons should (i) inform the recipient of such fact; (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and (iii) draw the attention of the recipient to this paragraph 9.
- 9.4 The provisions of this paragraph 9 and any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by Cavendish and the Company in their absolute discretion but only if Cavendish and the Company are satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law.
- 9.5 The provisions of this paragraph 9 supersede any terms of the Tender Offer which may be inconsistent herewith.
- 9.6 Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If any Overseas Shareholder is in doubt about his, her or its position, he, she or it should consult his, her or its professional adviser in the relevant territory.

## **10 US Shareholders**

The Tender Offer is being made to US Shareholders in compliance with the applicable US tender offer rules under the US Exchange Act, including Regulation 14E thereunder and otherwise in accordance with the requirements of English law, the London Stock Exchange and the FCA. Accordingly, the Tender Offer may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The Tender Offer will be open solely to Qualifying US Shareholders.

The attention of US Shareholders is drawn to the section titled “*Notice for US Shareholders*” on page 4 of this document.

## **11 Data Protection**

The tendering of Ordinary Shares by Shareholders in the Tender Offer may involve the provision to the Company as data controller of personal data in respect of the relevant Shareholder, which may include information in respect of anti-money laundering and “know your customer” obligations. Provision and processing of this data is necessary for a Shareholder to enter into the contract to tender Ordinary Shares under the Tender Offer. The Company will share any such personal data with the Registrar and Cavendish and the Company’s other professional advisers for the purposes of completing the Tender Offer. Any such personal data shall not be shared with any other person or used for any other purpose. The personal data may be transferred to, and stored at, a country outside the country of

residence of a Shareholder, including countries outside of the EEA. Where personal data is transferred to third parties outside the EEA, the Company will ensure that those transfers take place in accordance with applicable data protection laws, including by entering into data transfer agreements with recipients. The Company will retain any such personal data for so long as is required by applicable law and regulation. Individuals whose personal data is held by the Company may be entitled to access their personal information, or to request that it is erased, that its processing is restricted, or that any inaccurate personal information is rectified. Such individuals may also have the right to object to the processing of their personal information, or in some circumstances to obtain a copy of the personal information in machine readable format. Any such request should be submitted in writing to the Company at its registered office address. Individuals also have the right to complain about the use of their personal information to any applicable supervisory authority, which in the UK is the Information Commissioner's Office ([www.ico.org.uk](http://www.ico.org.uk)).

## **12 Miscellaneous**

- 12.1 Any changes to the terms, or any suspension, extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof no later than the close of business on the Business Day following the date of such event. Such an announcement will be released to the London Stock Exchange. References to the making of an announcement by the Company include the release of an announcement on behalf of the Company by Cavendish to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to the London Stock Exchange.
- 12.2 None of Cavendish, the Receiving Agent, the Registrar or the Company will accept responsibility for documentation lost or delayed in the postal system.
- 12.3 The latest time for receipt of valid documentation under the Tender Offer is 1.00 p.m. on 17 April 2025. Any documentation received by the Receiving Agent which is either incomplete, incorrect or received after 1.00 p.m. on 17 April 2025 will (unless the Receiving Agent, Cavendish and the Company, in their absolute discretion determine otherwise) be returned without any transaction taking place.
- 12.4 Any omission to despatch or decision not to despatch this document, the Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 12.5 No acknowledgement of receipt of any Tender Form, share certificate(s) and/or other document(s) of title will be given. All communications, notices, certificates, document(s) of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.
- 12.6 All powers of attorney and authorities on the terms conferred by or referred to in this Part 4 or in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 of England and Wales.
- 12.7 The Tender Offer, the Tender Form and any contractual and non-contractual obligations arising out of or in connection with them are and shall be governed by, and shall be construed in accordance with, the laws of England and Wales.

## PART 5 - RISK FACTORS

The risks referred to below are the material risks known to the Directors at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolutions. If Shareholders are in any doubt as to the contents of this document or as to what action to take, they should consult an appropriately qualified independent adviser without delay.

### **Risk Factors associated with the Tender Offer, and the amendments to the Company's investment policy and investment objective**

- The Proposals are conditional, *inter alia*, upon the passing of the Resolutions. In the event that Resolution 1 is not passed, the amendment to the investment objective and investment policy and associated reduction in management fees, revised dividend policy and revised discount/premium management policy will not take place. In the event that both Resolutions are not passed the Tender Offer will not take place.
- In the event that the amendment to the investment objective and investment policy is not approved, the Company will bear the costs and expenses of the Proposals in their entirety, which are expected to be approximately £170,000, exclusive of VAT, where applicable. In the event that the Proposals are approved and the Tender Offer is implemented: (i) the costs and expenses relating to the implementation of the Tender Offer (including estimated associated portfolio realisation costs) will be reflected in the calculation of the Tender Price, and so will be borne by Eligible Shareholders tendering Ordinary Shares in the Tender Offer; and (ii) the Manager has agreed to make the Cost Contribution, such that the Proposals are cost-neutral for Shareholders in respect of their continuing investment in the Company.

### **Risk Factors associated with the amendments to the Company's investment objective and investment policy**

- The Investment Manager will seek to pursue the Company's investment objective by using proprietary models that incorporate quantitative analysis. Investments selected using these models may perform differently than as forecasted due to the factors incorporated into the models and the weighting of each factor, changes from historical trends, and issues in the construction and implementation of the models (including, but not limited to, software issues and other technological issues). There is no guarantee that the Investment Manager's use of these models will result in effective investment decisions for the Company. Further, the information and data used in the models may be supplied by third parties. Inaccurate or incomplete data may limit the effectiveness of the models. In addition, some of the data used may be historical data, which may not accurately predict future market movement. There is a risk that the models will not be successful in selecting investments or in determining the weighting of investment positions that will enable the Company to achieve its investment objective.
- The Company may engage in active and frequent trading of its portfolio securities. High portfolio turnover (more than 100 per cent.) may result in increased transaction costs to the Company, including brokerage commissions, dealer mark-ups and other transaction costs on the sale of the securities and on reinvestment in other securities. The sale of portfolio securities may result in the realisation of higher capital gains or losses as compared to a fund with less active trading policies. These effects of higher-than-normal portfolio turnover may adversely affect the performance of the Company.
- Adjusting the focus of the Company's investment policy so that it is 100 per cent. focused on US securities may involve a higher degree of risk than the current investment policy. Concentration of investments in one geography may result in greater volatility of the Company's investments and consequently its NAV and may materially and adversely affect the performance of the Company and returns to Shareholders.

### **Risk Factors associated with the Tender Offer**

- In order to pay the consideration to which Shareholders are entitled pursuant to valid tenders of Ordinary Shares accepted by Cavendish (and which, subject to the terms and conditions of the Repurchase Agreement the Company will then be obliged to repurchase from Cavendish), it is expected that a proportion of the Company's investment portfolio will be realised and, in addition, that the Company may use a significant amount of its available

cash and other liquid assets. The realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company and, therefore, the price obtained for such sales may be lower than the current market value of the investments in question.

- If the Tender Offer is not taken up in full or to a significant extent, the Company may have surplus uninvested cash which could negatively affect investment returns to Shareholders.
- Eligible Shareholders tendering Ordinary Shares for sale under the Tender Offer will receive the Tender Price per Ordinary Share, which may be less than the price at which they bought their Ordinary Shares or the price or value at which they might ultimately realise their Ordinary Shares should they continue to hold them.
- Tender Forms and TTE Instructions, once submitted, are irrevocable. Shareholders should note that all Ordinary Shares tendered will be held in escrow by the Registrar and may not be switched, sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer. The price of the Ordinary Shares and the Company's Net Asset Value may rise or fall following submission of a Tender Form and/or TTE Instruction. If the Tender Offer lapses or is terminated in accordance with the terms and conditions set out in this document, all tendered Ordinary Shares will be returned to the relevant Shareholders.
- The Tender Price will depend on the number of Ordinary Shares tendered. The costs and expenses of the Tender Offer will be borne exclusively by tendering Shareholders through the calculation of the Tender Price, and therefore the greater the number of Ordinary Shares tendered the lower the fixed costs of the Tender Offer will be as a proportion of the value received by those Shareholders who successfully tender Ordinary Shares.
- If any Ordinary Shares permitted to be tendered pursuant to the Tender Offer are tendered, the issued share capital of the Company will be reduced as a result of the Tender Offer (and associated repurchase) and the Company will be smaller. As a result, the funds used to repurchase the Ordinary Shares acquired by Cavendish pursuant to the Tender Offer will no longer be available for application in the ordinary course of the Company's business or to meet contingencies, and the fixed costs of the Company will be spread over fewer Ordinary Shares.
- The lower number of Ordinary Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Ordinary Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Ordinary Shares in the market.

## **PART 6 – UNITED KINGDOM TAXATION IN RELATION TO THE TENDER OFFER**

The following discussion does not constitute tax advice. It is intended only as a general guide to certain United Kingdom tax considerations and does not purport to be a complete analysis of all potential United Kingdom consequences of selling Ordinary Shares pursuant to the Tender Offer. It is based on current United Kingdom legislation and HMRC's published practice, both of which may be subject to change at any time (possibly with retroactive effect). It is of a general nature and (unless otherwise stated) only applies to certain Shareholders who at all relevant times are resident for tax purposes in (and only in) the United Kingdom who hold their Ordinary Shares as an investment and who are the absolute beneficial owners of the Ordinary Shares. It does not address the position of certain categories of Shareholders who are subject to special rules, such as dealers in securities, persons who acquired their Ordinary Shares in connection with any employment or office, insurance companies and collective investment schemes.

All Shareholders (whether resident in the United Kingdom or any other jurisdiction) should consult their own independent tax advisers as to the consequences for them of a sale of Ordinary Shares pursuant to the Tender Offer.

The sale of Ordinary Shares by a UK resident Shareholder to Cavendish pursuant to the Tender Offer should generally be treated as a disposal of those Ordinary Shares for the purposes of United Kingdom taxation of chargeable gains. This may, subject to the Shareholder's particular circumstances and any available exemption, allowance or relief, give rise to a chargeable gain (or allowable loss) for the purposes of United Kingdom taxation of chargeable gains.

Shareholders who are not resident in the United Kingdom for tax purposes should not generally be subject to United Kingdom taxation on chargeable gains in respect of a disposal of their Ordinary Shares pursuant to the Tender Offer unless they hold their Ordinary Shares for the purposes of a trade, profession or vocation carried on by them through a branch, agency or permanent establishment in the United Kingdom or for the purposes of such a branch, agency or permanent establishment. It should however be noted that, in certain circumstances, an individual Shareholder who is only temporarily non-UK tax resident may, on re-establishing UK tax residence, be subject to capital gains tax in respect of disposals which occurred in the period of temporary non-residence. Non-UK tax resident Shareholders should obtain their own advice about their tax position.

Under the provisions of Part 15 of the Corporation Tax Act 2010 (for companies subject to corporation tax) and Chapter 1 of Part 13 of the Income Tax Act 2007 (for individuals and others subject to income tax), HMRC can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities. If HMRC were to determine that these provisions apply to the Tender Offer, Eligible Shareholders might be liable to corporation tax or income tax (as applicable) as if they had received an income amount rather than a capital amount.

In summary, these provisions do not apply where it can be shown (a) in the case of any corporation tax advantage, that the transaction or transactions in question were entered into for genuine commercial reasons, or in the ordinary course of managing investments, and that none of the transactions involved as one of their main objects the obtaining of any corporation tax advantage and, (b) in the case of any income tax advantage, that none of the transactions had as one of their main purposes the obtaining an income tax advantage, or that none of the transactions concerns, or has a connection to, a close company (broadly, a company controlled by five or fewer participators, or by participators who are directors).

No application has been made to HMRC for clearance in respect of the application of Part 15 of the Corporation Tax Act 2010 or Chapter 1 of Part 13 of the Income Tax 2007 to the Tender Offer.

### **Stamp duty and stamp duty reserve tax ("SDRT")**

The sale of the Ordinary Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for the selling Shareholder.

Stamp duty or stamp duty reserve tax at a rate of 0.5 per cent. of the price for the Ordinary Shares repurchased, rounded up to the nearest £5.00 if necessary, will be payable by the Company on its purchase of Ordinary Shares from Cavendish.



## DEFINITIONS

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

<b>“2025 AGM”</b>	means the annual general meeting of the Company to be held at 12.00 noon on 16 April 2025;
<b>“Articles of Association”</b>	means the articles of association of the Company;
<b>“Attorney”</b>	has the meaning given to it in Part 4 of this document;
<b>“Available Shares”</b>	means the total number of Ordinary Shares available to be acquired under the Tender Offer and representing 20 per cent. of the Ordinary Shares in issue (excluding Ordinary Shares held in treasury), rounded down to the nearest whole number of Ordinary Shares, as at the Record Date;
<b>“Basic Entitlement”</b>	has the meaning given to such term in Part 1 of this document;
<b>“BlackRock”</b>	means the BlackRock group of companies, the ultimate holding company of which is BlackRock, Inc.;
<b>“Board” or “Directors”</b>	means the directors of the Company or any duly constituted committee thereof;
<b>“Business Day”</b>	means any day other than a Saturday, Sunday or public holiday in England and Wales;
<b>“Buyback Authority”</b>	has the meaning given to it in Part 1 of this document;
<b>“Calculation Date”</b>	means close of business on 17 April 2025;
<b>“Calculation Period”</b>	has the meaning given to it in Part 1 of this document;
<b>“Cavendish”</b>	means Cavendish Capital Markets Limited or, for the purpose of the purchase and sale of Ordinary Shares under the Tender Offer, Cavendish Securities plc;
<b>“certificated” or “in certificated form”</b>	means an Ordinary Share that is not in uncertificated form;
<b>“Chair”</b>	means the Chair of the Board;
<b>“Closing Date”</b>	means 1.00 p.m. on 17 April 2025;
<b>“Companies Act”</b>	means the Companies Act 2006, as amended;
<b>“Company”</b>	means BlackRock American Income Trust plc;
<b>“Company Secretary”</b>	means BlackRock Investment Management (UK) Limited;
<b>“Conditions”</b>	has the meaning given to such term in Part 4 of this document;
<b>“Continuation Vote”</b>	means the ordinary resolution that the Company shall continue in being as an investment trust, to be voted on by Shareholders at the 2025 AGM;
<b>“Cost Contribution”</b>	has the meaning given to such term in Part 1 of this document;
<b>“Court”</b>	means the High Court of Justice in England and Wales;
<b>“CREST”</b>	means the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations;
<b>“CREST Manual”</b>	means the manual published by Euroclear describing the CREST system, as amended from time to time;

<b>“CREST member”</b>	means a person who has been admitted by Euroclear as a system-member (as defined by the CREST Regulations);
<b>“CREST participant”</b>	means a person who has been admitted by Euroclear as a participant (as defined in the CREST Regulations);
<b>“CREST Proxy Instruction”</b>	means a proxy instruction message submitted through CREST in accordance with the CREST Manual;
<b>“CREST Regulations”</b>	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
<b>“CREST sponsor”</b>	means a CREST Participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations);
<b>“CREST sponsored member”</b>	means a CREST member admitted to CREST as a sponsored member;
<b>“Disclosure Guidance and Transparency Rules”</b>	means the disclosure guidance published by the FCA and transparency rules made by the FCA under Section 73A of FSMA;
<b>“EEA”</b>	means the European Economic Area;
<b>“Eligible Shareholder”</b>	means a Shareholder who is eligible to participate in the Tender Offer (which excludes certain Overseas Shareholders as detailed in part 4 of this document) and, in the case of US Shareholders only, persons who are Qualifying US Shareholders;
<b>“EMEA”</b>	means Europe, the Middle East and Africa;
<b>“ESG”</b>	means environmental, social and governance;
<b>“Euroclear”</b>	means Euroclear UK & International Limited, being the operator of CREST;
<b>“Excess Application”</b>	has the meaning given to it in Part 1 of this document;
<b>“FCA” or “Financial Conduct Authority”</b>	means the Financial Conduct Authority;
<b>“Form of Proxy”</b>	means the personalised form of proxy provided with this document for use by Shareholders in connection with the General Meeting;
<b>“FSMA”</b>	means the Financial Services and Markets Act 2000, as amended;
<b>“General Meeting”</b>	means the general meeting of the Company convened for 12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM concludes or is adjourned), or any adjournment thereof, notice of which is set out on pages 45 to 47 of this document;
<b>“HMRC”</b>	means H.M. Revenue & Customs;
<b>“Investment Manager”</b>	means BlackRock Investment Management (UK) Limited;
<b>“Latest Practicable Date”</b>	means 26 February 2025, being the latest practicable date prior to the publication of this document;
<b>“London Stock Exchange”</b>	means London Stock Exchange plc;
<b>“Manager”</b>	means BlackRock Fund Managers Limited;
<b>“Member Account ID”</b>	means the identification code or number attached to any member account in CREST;

<b>“Net Asset Value” or “NAV”</b>	means the net asset value of the Company as calculated in accordance with the Company’s normal accounting policies;
<b>“Net Asset Value per Ordinary Share” or “NAV per Ordinary Share”</b>	means the net asset value divided by the number of Ordinary Shares in issue (other than any Ordinary Shares held in treasury);
<b>“Notice of General Meeting”</b>	means the notice of the General Meeting as set out on pages 45 to 47 of this document;
<b>“OCR”</b>	means ongoing charges ratio being annualised ongoing charges divided by average undiluted Net Asset Value in the period;
<b>“Ordinary Shares”</b>	means ordinary shares of £0.01 each in the capital of the Company;
<b>“Overseas Shareholder”</b>	means a Shareholder who is a citizen or national of, or resident in, a jurisdiction outside the United Kingdom or the United States or a custodian, nominee or trustee for a citizen, national or resident of a jurisdiction outside the United Kingdom or the United States;
<b>“Participant ID”</b>	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
<b>“Proposals”</b>	means the proposals for the change of the investment objective and investment policy and the Tender Offer, as set out in further detail in this document;
<b>“Qualifying US Shareholders”</b>	means a US Shareholder that is a “qualified institutional buyer” as defined in Rule 144A under the US Securities Act of 1933, as amended;
<b>“Receiving Agent” or “Registrar”</b>	means Computershare Investor Services PLC;
<b>“Record Date”</b>	means 6.00 p.m. on 17 April 2025;
<b>“Register”</b>	means the register of members of the Company;
<b>“Regulatory Information Service”</b>	means a service approved by the London Stock Exchange for the distribution to the public of announcements;
<b>“Relevant Shares”</b>	has the meaning given to such term in Part 4 of this document;
<b>“Repurchase Agreement”</b>	means the agreement dated 27 February 2025 between the Company and Cavendish for the repurchase by the Company on the London Stock Exchange of all the Ordinary Shares purchased by Cavendish pursuant to the Tender Offer;
<b>“Resolution 1”</b>	means the resolution numbered 1 to be proposed at the General Meeting, relating to the proposed change of investment objective and investment policy;
<b>“Resolution 2”</b>	means the resolution numbered 2 to be proposed at the General Meeting relating to the repurchase by the Company of Ordinary Shares pursuant to the Tender Offer;
<b>“Resolutions”</b>	means the resolutions to be proposed at the General Meeting, or either of them, as the context may require;
<b>“SDRT”</b>	has the meaning given to such term in Part 6 of this document;
<b>“SEC”</b>	means the United States Securities and Exchange Commission;
<b>“Shareholder”</b>	means a holder of Ordinary Shares and “Shareholders” shall be construed accordingly;

<b>“Tender Form”</b>	means the tender form accompanying this document for use by Shareholders holding their Ordinary Shares in certificated form in connection with the Tender Offer;
<b>“Tender Offer”</b>	means the invitation by Cavendish to Eligible Shareholders to tender Ordinary Shares on the terms and subject to the conditions set out in this document and, in the case of Ordinary Shares held in certificated form, the Tender Form;
<b>“Tender Price”</b>	means the price at which Ordinary Shares will be purchased pursuant to the Tender Offer as calculated in accordance with paragraph. of Part 4 of this document;
<b>“TFE Instruction”</b>	means a transfer from escrow instruction (as defined by the CREST Manual issued by Euroclear);
<b>“TTE Instruction”</b>	means a transfer to escrow instruction (as defined by the CREST Manual issued by Euroclear);
<b>“UK Listing Rules”</b>	means the UK Listing Rules made by the FCA for the purposes of Part VI of FSMA, as amended;
<b>“uncertificated” or “in uncertificated form”</b>	means recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“US Exchange Act”</b>	means the US Securities Exchange Act of 1934, as amended;
<b>“US Shareholder”</b>	means a Shareholder that is in the United States; and
<b>“£”</b>	means the lawful currency of the United Kingdom.

## NOTICE OF GENERAL MEETING

# BLACKROCK AMERICAN INCOME TRUST PLC

*(Incorporated and registered in England and Wales with registered number 8196493.  
An investment company within the meaning of section 833 of the Companies Act 2006)*

**NOTICE IS HEREBY GIVEN** that a general meeting of BlackRock American Income Trust plc (the “**Company**”) will be held at 12 Throgmorton Avenue, London EC2N 2DL at 12.15 p.m. on 16 April 2025 (or as soon thereafter as the 2025 AGM (as defined in the Circular) concludes or is adjourned) for the purpose and if thought fit, passing the following resolutions. Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution.

### ORDINARY RESOLUTION

1. THAT the Company adopts the proposed changes to its investment objective and investment policy, as set out in the circular to Shareholders dated 27 February 2025, of which this notice forms part (the “**Circular**”).

### SPECIAL RESOLUTION

2. THAT, without prejudice to any subsisting or other authority conferred on the Company, and subject to the passing of the ordinary resolution set out at Resolution 1 above, the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the “**Act**”) to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares with a nominal value of 1 pence each in the capital of the Company (the “**Ordinary Shares**”) pursuant to the tender offer to be made by Cavendish Capital Markets Limited on the terms and subject to the conditions set out in the Circular, PROVIDED THAT:
  - (a) the maximum number of Ordinary Shares authorised to be purchased shall be 13,714,396 Ordinary Shares or, if lower, such number as is equal to 20 per cent. of the issued number of Ordinary Shares (excluding Ordinary Shares held in treasury) on the Record Date (as defined in the Circular);
  - (b) the price which may be paid for an Ordinary Share shall be the Tender Price (as defined in the Circular) (which shall be both the maximum and the minimum price for the purposes of section 701 of the Act); and
  - (c) the authority hereby conferred shall expire on 31 December 2025 (unless such authority is renewed prior to such date), save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after such expiry and make a purchase of such Ordinary Shares pursuant to any such contract.

**By order of the Board**

**Registered office**

12 Throgmorton Avenue  
London  
EC2N 2DL

BlackRock Investment Management (UK) Limited  
*Company Secretary*

**Date:** 27 February 2025

## NOTES TO THE NOTICE OF GENERAL MEETING

### Notes:

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

- (i) A member entitled to attend and vote at the meeting convened by the above Notice of General Meeting is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend, speak and vote in his place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
- (ii) To appoint a proxy you may use the Form of Proxy enclosed with this Circular. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned to the office of the Company's registrar in accordance with the instructions thereon as soon as possible and in any event by 12.15 p.m. on 14 April 2025. Amended instructions must also be received by the Company's registrar by the deadline for receipt of Forms of Proxy. Alternatively you can vote or appoint a proxy electronically by visiting [www.eproxyappointment.com](http://www.eproxyappointment.com). You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the Form of Proxy. The latest time for the submission of proxy votes electronically is 12.15 p.m. on 14 April 2025.
- (iii) Proximity voting – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). Your proxy must be lodged by 12.15 p.m. on 14 April 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
- (iv) Completion and return of the Form of Proxy will not prevent you from attending and voting in person.
- (v) Any person receiving a copy of this Notice of General Meeting as a person nominated by a member to enjoy information rights under section 146 of the Act (a "**Nominated Person**") should note that the provisions in Notes (i) to (iii) above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only ordinary shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.
- (vi) Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy the information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from the Nominated Person.
- (vii) Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered in the register of members of the Company by not later than 6.00 p.m. on 14 April 2025 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at such time. If the meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned meeting is 6.00 p.m. on the day that is 48 hours (excluding any day that is not a working day) prior to the date of the reconvened meeting. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- (viii) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (ix) Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar not later than 12.15 p.m. on 14 April 2025. Instructions on how to vote through CREST can be found by accessing the following website: [www.euroclear.com/CREST](http://www.euroclear.com/CREST).
- (x) If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare (ID number

3RA50) not later than 12.15 p.m. on 14 April 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare Investor Services PLC is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST Sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (xi) If the Chair, as a result of any proxy appointments, is given discretion as to how the votes subject of those proxies are cast and voting rights in respect of those discretionary proxies, when added to the interest in the Company's securities already held by the Chair, result in the Chair holding such number of voting rights that she or he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chair will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company, who grants the Chair a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- (xii) Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. A Shareholder may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under section 319A of the Act, the Company must answer any question a Shareholder asks relating to the business being dealt with at the meeting, unless (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- (xiii) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.
- (xiv) Further information regarding the meeting which the Company is required by section 311A of the Act to publish on a website in advance of the meeting (including this Notice of General Meeting), can be accessed at [www.blackrock.com/uk/brai](http://www.blackrock.com/uk/brai).
- (xv) As at 26 February 2025 (being the last practicable date prior to the printing of this Notice of General Meeting), the Company's issued share capital comprised 68,571,984 Ordinary Shares, excluding shares in treasury. Each Ordinary Share carries the right to one vote and therefore the total number of voting rights in the Company as at 26 February 2025 are 68,571,984.
- (xvi) You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
- (xvii) Voting on the Resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as Shareholder votes are to be counted according to the number of Ordinary Shares held. As soon as practicable following the meeting, the results of the voting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each Resolution will be announced via a Regulatory Information Service and also placed on the Company's website.

