



The following resolutions were passed by the Company's shareholders at the Annual General Meeting held on Thursday 15 December 2016:

**Ordinary resolution**

- 8      That in substitution for and to the exclusion of any power previously conferred upon the Directors in this regard (save to the extent that any power has been relied upon prior to the passing of this resolution), the Directors be generally and unconditionally authorised pursuant to Section 551 of the Act to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £2,411,024 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 31 March 2018, save that the Company may before expiry of this authority make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if this authority had not expired.

**Special resolution**

- 9      That, subject to the passing of Resolution 8 above and in substitution for and to the exclusion of any power previously conferred upon the Directors in this regard (save to the extent that any power has been relied upon prior to the passing of this resolution), the Directors may
- a      allot equity securities (as defined in Section 560 of the Act) pursuant to the authorisation for the purposes of Section 551 of the Act conferred by Resolution 8 above; and
  - b      sell equity securities which immediately before the sale are held by the Company as treasury shares,
- in each case as if Section 561(1) of the Act (existing shareholders' right of pre-emption) did not apply to the allotment or sale, provided that the power conferred by this resolution shall be limited to the allotment or sale of equity securities up to an aggregate nominal value of £2,411,024 and shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 31 March 2018, save that the Company may before this power expires make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after the power expires.

**Special resolution**

- 10      That the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Act to make one or more market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of 25p each provided that:
- a      the maximum aggregate number of ordinary shares hereby authorised to be purchased is 9,644,097,
  - b      the minimum price (excluding expenses) which may be paid for an ordinary share shall be 25p per share;
  - c      the maximum price (excluding expenses) which may be paid for an ordinary share shall not be more than 105% of the average market value of the ordinary shares of the Company for the five business days prior to the date the purchase is made, and
  - d      unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 31 March 2018, save that the Company may execute a contract of purchase before this authority expires that would or might be concluded wholly or partly after this authority expires

## Ordinary resolution

- 11 That the following wording be approved as a revised statement of the Company's investment policy:

### **"Corporate objective**

The company's objective is to provide high long-term tax-free returns to investors through a combination of dividend yield and capital growth, by investing primarily in unquoted UK manufacturing and service businesses which meet the manager's key criteria of good value, growth potential, strong management and ability to generate cash in the medium to long term.

### **Investment policy**

The company's investment policy has been designed to enable the company to achieve its objective whilst complying with the qualifying conditions set out in the VCT legislation, as amended by HM Government from time to time

The directors intend that the long-term disposition of the company's assets will be approximately 80% in a portfolio of VCT-qualifying unquoted and AIM-quoted investments, and 20% in other investments selected with a view to producing an enhanced return while avoiding undue capital volatility, to provide a reserve of liquidity which will maximise the company's flexibility as to the timing of investment acquisitions and disposals, dividend payments and share buy-backs

Within the VCT-qualifying portfolio, investments will be structured using various investment instruments, including ordinary and preference shares, loan stocks and convertible securities, to achieve an appropriate balance of income and capital growth. The selection of new investments will necessarily have regard to the VCT legislation, which is designed to focus investment on early stage and development capital opportunities. The portfolio will be diversified by investing in a broad range of VCT-qualifying industry sectors and by holding investments in companies at different stages of maturity in the corporate development cycle. The normal investment holding period will be in the range from three to ten years.

No single investment will normally represent in excess of 3% of the company's total assets at the time of acquisition. As investments are held with a view to long-term capital growth as well as income, it is possible that individual holdings may grow in value to the point where they represent a significantly higher proportion of total assets prior to a realisation opportunity being available.

Investments will normally be made using the company's equity shareholders' funds and it is not intended that the company will take on any long-term borrowings."



**C D Mellor**  
**Company Secretary**