

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you should consult an appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or transferred all your Ordinary Shares in the Company, please forward this Circular together with the Form of Proxy to the purchaser, transferee, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Notice of the twenty sixth Annual General Meeting of the Company to be held at The Royal College of General Practitioners, 30 Euston Square, London NW1 2FB at 11.30am on 7 January 2022 is set out on pages 7 to 10 of this Circular. A Form of Proxy for use at the meeting is attached. To be valid, Forms of Proxy should be completed and returned in accordance with the notes to the Notice of Meeting and the Form of Proxy itself.

# Northern Venture Trust PLC

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Time Central 32 Gallowgate Newcastle upon Tyne NE1 4SN

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Registered in England no 3090163

## Directors:

Simon Constantine, Chairman  
Nigel Beer  
Richard Green  
Tim Levett  
David Mayes  
Hugh Younger

14 December 2021

Dear Shareholder

## Twenty Sixth Annual General Meeting, Share Offer and Related Matters

### AGM

I am pleased to be writing to you with details of our Annual General Meeting for the financial year ended 30 September 2021.

The AGM, at which Shareholders will be asked to approve proposals relating to the AGM business, will take place at The Royal College of General Practitioners, 30 Euston Square, London NW1 2FB at 11.30am on 7 January 2022. The formal Notice of Annual General Meeting is set out on pages 7 to 10 of this document.

The coronavirus (COVID-19) pandemic continues to impact on the way in which we all conduct business and in particular on travel and public gatherings. The priority of the Board remains the health, safety and wellbeing of all Shareholders and Directors. We are therefore proposing to hold our AGM as a combined physical and electronic meeting as we appreciate that some of our Shareholders may feel uncomfortable about travelling to or attending large gatherings or may be in isolation either on a voluntary or mandatory basis. This will ensure that there is a forum for the conduct of the formal business set out in the notice of the AGM, and will also provide an opportunity for all Shareholders to raise questions of the Directors and the Manager.

Shareholders will therefore be able to take part in the meeting remotely via a Zoom webinar facility, which can be accessed from any computer with internet access or through a telephone (mobile or landline). Shareholders taking part via the Zoom webinar facility will not be able to speak or vote on the AGM resolutions, but will be able to raise questions through an online facility.

If Shareholders wish to attend remotely, they are required to register their attendance via the Zoom facility in advance of the meeting, through the Manager's or the Company's website. After verification of their identity, details of how to join the Zoom webinar will be provided to each Shareholder. The final arrangements, including details of how to register for the Zoom webinar facility, are available on the Manager's website at [www.mercia.co.uk/vct/](http://www.mercia.co.uk/vct/).

Shareholders are strongly encouraged to exercise their voting rights by completing and submitting a Form of Proxy. It is highly recommended that Shareholders submit their Form of Proxy as early as possible to ensure that their votes are counted at the AGM. Shareholders are strongly encouraged to appoint me as their proxy to ensure that each Shareholder's vote will be counted.

The situation in respect of COVID-19 may change rapidly and Shareholders should note that further changes may need to be put in place at short notice in relation to the AGM. Any updates to the position will be included on the Manager's website at [www.mercia.co.uk/vct/](http://www.mercia.co.uk/vct/). Further guidance can be found at note 1 to the notice of AGM set out below.

The purpose of this document is to set out the background to, and reasons for, the Resolutions which are to be proposed at the AGM and to explain why the Directors consider them to be in the best interests of the Company and Shareholders and recommend that you vote in favour of the Resolutions.

Explanatory notes on all the business to be considered at this year's AGM appear on pages 3 to 6 of this document.

## **Proposed Share Offer**

On 19 July 2021, the Company announced that it intended, in conjunction with Northern 2 VCT PLC ("N2VCT") and Northern 3 VCT PLC ("N3VCT"), to launch a joint prospectus offer of new Ordinary Shares for subscription in the 2021/22 tax year (the "Offer"). A further announcement regarding the Offer was made on 30 November 2021. The Offer will seek to raise a total of up to £40,000,000. Your Board has considered the current liquidity and the likely funding requirements of the Company, taking into account the pipeline of potential investment opportunities (including follow-on investments into the current portfolio), and proposes that the Company should seek to raise a total of up to £6,000,000 for future investment. Subject to obtaining the requisite approvals, including Shareholder approval at the AGM, it is expected that a prospectus will be issued in January 2022.

Applications for the new Ordinary Shares will be dealt with on a "first come first served" basis. It is envisaged that the Offer will remain open until 5 April 2022, unless fully subscribed at an earlier date and subject to your Board's right to close the Offer at any time.

The new Ordinary Shares will be issued at a premium to the most recent NAV published prior to the allotment date, such that the net proceeds per new Ordinary Share, after deducting issue costs, will be equivalent to the NAV attributable to the existing Ordinary Shares.

All new Ordinary Shares will rank equally in all respects with the existing Ordinary Shares and will rank for all dividends which are both declared and paid following Admission. Application will be made for the Admission of any new Ordinary Shares allotted and it is proposed that Admission will be effected at the earliest practicable opportunity.

## **Extension of the life of the Company**

The Articles currently require that a resolution for the continuation of the Company be put to the annual general meeting of the Company held in 2025 and, unless defeated, at five-yearly intervals thereafter. The proposed amendment to the Articles requires the continuation resolution to be considered at the annual general meeting of the Company expected to be held in 2027 and every five years thereafter. This amendment will have the effect of postponing the continuation resolution until after a period of five years has elapsed from the allotment of Ordinary Shares under the Offer, five years being the minimum holding period to ensure that investors retain the initial income tax relief on their subscription.

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

If you would like to vote on the Resolutions you should complete the Form of Proxy attached to this Circular and return it to the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing BN99 6DA as soon as possible. They must receive it no later than 11.30 am on 5 January 2022.

## **Recommendation**

Your Board considers that all the Resolutions to be put to the meeting are in the best interests of the Company and its Shareholders as a whole and are most likely to promote the success of the Company for the benefit of its Shareholders. Your Directors will be voting in favour of the Resolutions in respect of their own shareholdings and unanimously recommend that you do so as well.

Yours sincerely



Chairman

## Definitions

In this letter, unless the context otherwise requires, the following expressions bear the following meanings:

Act	the Companies Act 2006
Admission	admission of the Ordinary Shares to the Official List and to trading on the premium segment of the London Stock Exchange's market for listed securities
AIC Code	the AIC Code of Corporate Governance published from time to time by the Association of Investment Companies
Annual General Meeting or AGM	the annual general meeting of the Company to be held at The Royal College of General Practitioners, 30 Euston Square, London NW1 2FB at 11.30am on 7 January 2022
Articles	the articles of association of the Company as amended from time to time
Circular	this document dated 14 December 2021, addressed to the Shareholders
Company	Northern Venture Trust PLC
Directors or Board	the directors of the Company, whose names are set out on page 1 of this document
FCA	the Financial Conduct Authority of the United Kingdom or any successor authority
Form of Proxy	the form of proxy for use at the Annual General Meeting
Manager	the Company's investment adviser, Mercia Fund Management Limited
NAV	net asset value in pence per Ordinary Share
Listing Rules	the listing rules published from time to time by the Financial Conduct Authority acting in its capacity as the United Kingdom Listing Authority under Part VI of the Financial Services and Markets Act 2000 (as amended from time to time)
Offer	has the meaning set out on page 2 of this Circular
Official List	the Official List of the FCA
Ordinary Shares	ordinary shares of 25p each in the capital of the Company
Resolutions	resolutions 1 to 18 to be proposed at the AGM and each such resolution shall be a "Resolution"
Shareholders	holders of Ordinary Shares

## Explanation of the business to be considered at the twenty sixth Annual General Meeting

All Resolutions will be proposed as ordinary resolutions, unless otherwise mentioned. For an ordinary resolution to be passed, more than half of the votes cast (in person or by proxy) must be in favour of the Resolution. For a special resolution to be passed, at least three-quarters of the votes cast (in person or by proxy) must be in favour of the Resolution.

### Resolution 1: Receipt of the accounts

The Company is required by law to put the Company's annual report and financial statements for the year ended 30 September 2021 before Shareholders. Shareholders are invited to vote to receive and approve the Company's annual report and financial statements for the year ended 30 September 2021 together with the Directors' report and independent auditor's report thereon.

### Resolution 2: Approval of final dividend

Shareholders are being asked to approve a final dividend of 2p per Ordinary Share in respect of the year ended 30 September 2021. If you approve the recommended final dividend, this will be paid on 14 January 2022 to all Shareholders who were on the register of members on 17 December 2021.

### Resolution 3: Approval of the Directors' remuneration report

The Company is required by the Act to seek Shareholders' approval of the Directors' remuneration report in respect of the year ended 30 September 2021, which is set out on pages 22 and 23 of the Company's annual report for the year ended 30 September 2021. Whilst the payment of remuneration to the Directors is not dependent on the passing of the Resolution, your Board will take the vote into account when considering the future development and operation of the Company's remuneration policy and practice.

The Company is also required by the Act to seek Shareholders' approval of the Directors' remuneration policy as set out in the Directors' remuneration report at least every three years, or in the event of a change in the policy if sooner. The Directors' remuneration policy has remained unchanged since it was approved by Shareholders at the annual general meeting held in December 2019 and, unless there is a change in the policy, it is the current intention of the Directors that a resolution for the approval of the Directors' remuneration policy will next be considered at the annual general meeting to be held in January 2023 (being the third annual general meeting since it was last approved).

### **Resolutions 4 to 8: Re-appointment and appointment of Directors**

The Board has determined that, in accordance with the AIC Code, all directors should retire on an annual basis. Consequently, Simon Constantine, Richard Green, Tim Levett and David Mayes all retire from the Board in accordance with the AIC Code and seek re-election. Nigel Beer and Hugh Younger intend to step down as Directors so will not be seeking re-election at the AGM.

It is proposed that Deborah Hudson will be appointed to the board on 1 January 2022 and is seeking election by Shareholders.

Your Board believes that each of the Directors makes a relevant and significant contribution to the operation of the Board and displays an appropriate level of knowledge and experience.

#### **Resolution 4: Re-appointment of Mr S J Constantine as a Director**

Mr Simon Constantine (aged 62) was appointed to the Board in 2012 and became chairman in 2014. He is a member of the audit committee and the management engagement committee and is chairman of the nomination committee.

Mr Constantine has extensive business management experience at board level, particularly in the healthcare and life sciences sectors, and co-led the management buy-in and subsequent trade sale of Life Sciences International plc. He has served as a non-executive director of a number of venture capital and private equity-backed businesses and is currently chairman of Capstone Foster Care Limited and a non-executive director of SourceBio International plc.

#### **Resolution 5: Re-appointment of Mr R J Green as a Director**

Mr Richard Green (aged 59) was appointed to the Board in 2014. He is chairman of the management engagement committee and is a member of the audit committee and the nomination committee.

Mr Green joined Kleinwort Benson Development Capital in 1988 and was a founder in 2001 of August Equity LLP, where he was managing partner until 2009 and then chairman until 2014. He is a past chairman of the British Private Equity & Venture Capital Association and is currently a member of the North East Fund Advisory Panel, the non-executive chairman of Technology Venture Partners LLP and a non-executive director of BGH Capital Offshore GP 1 Limited and BGH Capital Offshore GP II Limited.

#### **Resolution 6: Re-appointment of Mr T R Levett as a Director**

Mr Levett (aged 72) was appointed to the Board in 2013. He is a member of the nomination committee.

Mr Levett is a consultant to Mercia Asset Management PLC, the Company's investment adviser, and is non-executive chairman of NVM Private Equity LLP, whose business he co-founded in 1988. He is a non-executive director of Northern 3 VCT PLC and several unquoted companies and is a member of the AIC's VCT Forum and the British Private Equity & Venture Capital Association's Venture Capital Committee. He is not considered to be independent due to his relationships with the Manager and NVM Private Equity LLP.

#### **Resolution 7: Re-appointment of Mr D A Mayes as a Director**

Mr David Mayes (aged 57) was appointed to the Board in 2014. He is a member of the audit committee, the nomination committee and the management engagement committee.

Mr Mayes is an experienced investment professional and investor with a long-standing involvement in financial markets. He previously managed an emerging markets investment team for Credit Suisse Securities (Europe) Limited. He is currently a trustee director of a major pension fund and a member of its investment committee and is a member of the Salvation Army International Trust Investment Board.

#### **Resolution 8: Appointment of Ms D N Hudson as a Director**

Ms Deborah Hudson (aged 56) will be appointed to the Board on 1 January 2022. Ms Hudson combines a strong operational background in technology with high level international strategy consulting gained over a 10-year period with McKinsey. Her early career was in technology development with British Gas plc.

Ms Hudson was Head of Business Development and e-Commerce at Britannic plc, rapidly growing new business by launching a range of new investment products including pensions, ISAs, and the UK's first online life policy. Prior to that, she served as MD of an international clothing company, Hardcore Jeanswear. She graduated with the Henry Ford II Engineering Scholarship from Imperial College and holds an MBA with distinction from INSEAD.

#### **Resolution 9: Re-appointment of Mazars LLP as independent auditor**

The Company is required by law to appoint an auditor at its Annual General Meeting. Shareholders are invited to vote to re-appoint Mazars LLP as independent auditor of the Company until the conclusion of the next annual general meeting of the Company.

#### **Resolution 10: Authority to fix the independent auditor's remuneration**

Shareholders are invited to vote to give the audit committee authority to fix the independent auditor's remuneration.

## **Resolutions 11 to 14: Authority to allot shares and disapplication of Shareholders' statutory pre-emption rights**

### ***Resolution 11: Specific authority to allot shares***

In addition to the authority conferred on the Directors at the last annual general meeting of the Company held on 15 January 2021, Shareholders are being asked, under the Act, to grant the Directors authority to allot Ordinary Shares in the Company up to a maximum nominal value of £2,500,000 representing approximately 6.24% of the issued ordinary share capital of the Company at the date of the notice convening the AGM. No shares are currently held in treasury. The authority granted by Resolution 11 is intended to be used solely for the purposes of the Offer.

This authority will be effective until 30 April 2022 except insofar as commitments to allot shares have been entered into before that date.

### ***Resolution 12: General authority to allot shares***

In addition to the authority conferred by Resolution 11, Shareholders are being asked, under the Act, to grant the Directors a general authority to allot shares in the Company. This Resolution, if passed, gives the Directors authority to allot Ordinary Shares up to a maximum nominal value of £8,110,265 or, if lower, such amount as shall represent 20% of the issued ordinary share capital of the Company following the issue of the Ordinary Shares pursuant to the Offer. The Directors' current intention is that the authority granted by Resolution 12 will be used in connection with the issue of Ordinary Shares pursuant to the Company's dividend investment scheme.

This authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in January 2023) or, if earlier, 30 April 2023 except insofar as commitments to allot shares have been entered into before that date.

### ***Resolution 13: Specific disapplication of pre-emption rights***

This Resolution supplements the Directors' specific authority to allot shares in the Company given to them by Resolution 11 and authorises the Directors to allot equity Ordinary Shares, or sell treasury shares, for cash (otherwise than pro rata to existing Shareholders) up to an aggregate nominal value of £2,500,000 (representing approximately 6.24% of the Company's issued ordinary share capital at the date of the notice convening the General Meeting). The authority is intended to be used solely for the purposes of the Offer.

This authority will be effective until 30 April 2022 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.

Resolution 13 will be proposed as a special resolution.

### ***Resolution 14: General disapplication of pre-emption rights***

This Resolution supplements the Directors' general authority to allot shares in the Company given to them by Resolution 12 and authorises the Directors to allot Ordinary Shares, or sell treasury shares, for cash (otherwise than pro rata to existing Shareholders) up to an aggregate nominal value of £8,110,265 or, if lower, such amount as shall represent 20% of the issued ordinary share capital of the Company following the issue of the Ordinary Shares pursuant to the Offer.

This authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in January 2023) or, if earlier, 30 April 2023, save that the Directors may so allot Ordinary Shares or sell treasury shares in pursuance of an offer or agreement entered into before the authority expires.

Resolution 14 will be proposed as a special resolution.

### ***Resolution 15: Purchase of own shares***

Under the Act, this Resolution authorises the Company to purchase in the market up to 16,220,530 Ordinary Shares or, if lower, such amount as shall represent 10% of the issued ordinary share capital of the Company following the issue of the Ordinary Shares pursuant to the Offer at a minimum price per share of 25p (excluding expenses) and a maximum price per share of not more than 105% (excluding expenses) of the average market value of the relevant shares for the five business days prior to the date on which the purchase is made.

Unless previously renewed, varied or revoked, the authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in January 2023) or, if earlier, 30 April 2023.

Purchases of Ordinary Shares will be made only within the guidelines established and to be reviewed from time to time by the Directors, and where it is considered that such purchases would be to the advantage of the Company and its Shareholders as a whole. It is the Directors' intention that purchases will be made in the market for cash only at prices below the prevailing net asset value per share, thereby enhancing the net asset value per share for the Company's remaining Shareholders. Purchases will be financed from the Company's own cash resources or, if appropriate, from short term borrowings.

The cap on the price payable contained in the proposed Resolution reflects a restriction on the Company contained in the Listing Rules. In addition, under the Listing Rules the Company must not purchase shares at a price greater than the higher of the last independent trade and the highest current independent bid on the market where the purchase is carried out.

There are no existing Ordinary Shares covered by options or warrants at the date of publication of this document.

Shares purchased under this authority will become treasury shares which the Company can cancel or hold for sale for cash.

Resolution 15 will be proposed as a special resolution.

**Resolution 16 and 17: Amendment of Articles****Resolution 16: Extension of the life of the Company**

The Articles presently require that a resolution for the continuation of the Company be put to the annual general meeting of the Company held in 2025 and, unless defeated, at five-yearly intervals thereafter. The proposed amendment to Article 146 requires the continuation resolution to be considered at the annual general meeting of the Company expected to be held in 2027 and every five years thereafter. This amendment will have the effect of postponing the continuation resolution until after a period of five years has elapsed from the allotment of Shares under the Offer, five years being the minimum holding period to ensure that investors retain the initial income tax relief on their subscription. Article 146 of the Articles in its current form is set out below:

146 At the annual general meeting of the Company held in 2025 and, if the Company has not then been liquidated, unitised or reconstructed, at each fifth subsequent annual general meeting of the Company convened by the Directors thereafter, the Directors shall propose a resolution that the Company should continue as a venture capital trust for a further five year period, on which resolution the vote shall be decided on a show of hands unless on declaration of the result of the show of hands a poll is duly demanded. A poll may be demanded only by those persons set out in Article 63. For the purpose of this Article only, the resolution that the Company should continue as a venture capital trust shall not be passed only where the vote is held on a poll and the votes against the resolution:

- a) constitute a majority of the votes cast in respect of the resolution (votes withheld shall be ignored); and
- b) represent not less than 25 per cent of the total number of votes then exercisable in respect of that resolution by the holders of the issued share capital of the Company.

If such resolution is not passed, the Directors shall draw up proposals for the voluntary liquidation, unitisation or other reorganisation of the Company for submission to the members of the Company at an extraordinary general meeting to be convened by the Directors for a date not more than nine months after the date of the meeting at which such ordinary resolution was not passed. The Directors shall use all reasonable endeavours to ensure that such proposals for the liquidation, unitisation or reorganisation of the Company as are approved by special resolution are implemented as soon as is reasonably practicable after the passing of such resolution.

Resolution 16 will be proposed as a special resolution.

**Resolution 17: Increase in Directors' fees**

The Company's articles of association (article 89) currently impose a cap on the aggregate directors' fees payable of £150,000 per annum. In the financial year ended 30 September 2021, the aggregate fees paid to directors were £137,000 (noting that Mr Levett waived his fee for this period). It is proposed to amend article 89 to reflect an increase in this cap to £200,000 per annum. The Board consider this increase is required in order to allow fees to be paid in line with market rates in future periods and for the appointment of any additional board members in due course.

Resolution 17 will be proposed as a special resolution.

**Resolution 18: Cancellation of share premium account**

This resolution seeks approval for the cancellation of the share premium account which will arise on the issue of the new Ordinary Shares in connection with the Offer. Subject to the approval of the Court, this will create additional distributable reserves in order to facilitate the buyback of the Company's own shares and/or the payment of dividends.

Resolution 18 will be proposed as a special resolution.

## Northern Venture Trust PLC

### Notice of Annual General Meeting

Notice is hereby given that the twenty-sixth annual general meeting of the Company will be held at The Royal College of General Practitioners, 30 Euston Square, London NW1 2FB at 11.30am on 7 January 2022 for the following purposes:

### Resolutions

- 1 To receive and approve the Company's annual report and financial statements for the year ended 30 September 2021 together with the Directors' and independent auditor's reports thereon.
- 2 To approve and declare a final dividend of 2p per share in respect of the year ended 30 September 2021.
- 3 To approve the Directors' remuneration report in respect of the year ended 30 September 2021.
- 4 To re-elect as a director Mr S J Constantine who retires in accordance with the AIC Code and offers himself for re-election.
- 5 To re-elect as a director Mr R J Green who retires in accordance with the AIC Code and offers himself for re-election.
- 6 To re-elect as a director Mr T R Levett who retires in accordance with the AIC Code and offers himself for re-election.
- 7 To re-elect as a director Mr D A Mayes who retires in accordance with the AIC Code and offers himself for re-election.
- 8 To elect as a director Deborah Hudson who has been appointed to the board since the last annual general meeting.
- 9 To re-appoint Mazars LLP as independent auditor of the Company until the conclusion of the next annual general meeting of the Company.
- 10 To authorise the audit committee to fix the independent auditor's remuneration.
- 11 To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That in addition to the authority conferred on the Directors at the annual general meeting held on 15 January 2021, the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (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 £2,500,000 in connection with the Offer (as defined in the circular to shareholders dated 14 December 2021 (the "**Circular**")) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on 30 April 2022, 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."

- 12 To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, subject to the passing of Resolution 11 and in addition to the authority granted by Resolution 11, 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 ££8,110,265 or, if lower, such amount as shall represent 20% of the issued ordinary share capital of the Company following the issue of the Ordinary Shares pursuant to the Offer 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, 30 April 2023, 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."

- 13 To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, subject to the passing of Resolution 11 above and in addition to the authority conferred on the Directors at the annual general meeting held on 15 January 2021, 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 11 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 £2,500,000 in connection with the Offer (as defined in the Circular) and shall expire on 30 April 2022, 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."

14 To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, subject to the passing of Resolution 12 above, 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 12 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 £8,110,265 or, if lower, such amount as shall represent 20% of the issued ordinary share capital of the Company following the issue of Ordinary Shares pursuant to the Offer and shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 30 April 2023, 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.”

15 To consider and, if thought fit, to pass the following resolution as a special resolution:

“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 16,220,530 or, if lower, such amount as shall represent 10% of the issued ordinary share capital of the Company following the issue of Ordinary Shares pursuant to the Offer;
- (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, 30 April 2023, 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.”

16 To consider and, if thought fit, to pass the following resolution as a special resolution:

“That the articles of association of the Company be amended in the first sentence of Article 146 by deleting the date ‘2025’ and substituting the date ‘2027’.”

17 To consider and, if thought fit, to pass the following resolution as a special resolution:

“That article 89 of the articles of association of the Company be amended by the deletion of “£150,000” and the inclusion of “£200,000” so that it shall read: “The Directors shall be entitled to such remuneration as the Directors shall from time to time determine save that unless otherwise approved by the Company by ordinary resolution the aggregate of such ordinary remuneration shall not exceed £200,000 per annum and such remuneration shall be divisible among the Directors as they may agree, or, failing agreement, equally except that, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.”

18 To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, subject to the confirmation of the Court, the amount standing to the credit of the share premium account of the Company following the conclusion of the Offer be cancelled and the amount so cancelled be credited to a special reserve of the Company.”

By order of the Board

**J K Bryce**

Secretary

Time Central

32 Gallowgate

Newcastle upon Tyne

NE1 4SN

14 December 2021



## Notes

### 1 Arrangements for the meeting – COVID-19

The Company has been monitoring the evolving situation relating to the Coronavirus (COVID-19) pandemic, including the current guidance on travel and public gatherings and social distancing. The Board has also noted that, at the time of producing this Circular, the UK government had lifted legal restrictions in England however, the situation remains uncertain and there is no guarantee that there will not be any further changes prior to the AGM.

The priority of the Board at this time is the health, safety and wellbeing of all Shareholders and Directors. We are therefore proposing to hold our AGM as a combined physical and electronic meeting and offering Shareholders the option to participate in the meeting remotely via a Zoom conference call. If you wish to use this facility, please register via the Manager's website at [www.mercia.co.uk](http://www.mercia.co.uk) or contact Graham Venables at [graham.venables@mercia.co.uk](mailto:graham.venables@mercia.co.uk); or the Assistant Company Secretary, Wendy Arkle, at [wendy.arkle@nvm.co.uk](mailto:wendy.arkle@nvm.co.uk) who will provide further information. Please note that Shareholders will not be able to use this facility to actively participate in the meeting by voting on the resolutions or asking questions. Pending further developments, the Board:

- Encourages Shareholders to submit their votes via proxy as early as possible, and Shareholders should appoint the Chairman of the meeting as their proxy. A form of proxy which may be used is attached. If a Shareholder appoints someone else as their proxy, that proxy may not be able to attend the AGM in person or cast the Shareholder's vote. All proxy appointments should be received by no later than 11.30 am on 5 January 2022.
  - Strongly recommends CREST members to vote electronically through the CREST electronic proxy appointment service as your vote will automatically be counted.
  - Proposes that voting at the meeting will be conducted by means of a poll on all resolutions, with each Shareholder having one vote for each share held, thereby allowing all those proxy votes submitted and received prior to the meeting to be counted.
  - Encourages you to submit any question that you would like to be answered at the meeting by completing the enclosed question submission form and returning this to Equiniti (after completing your name as shown on the Company's register of members and the number of shares held) to the details set out on that form, so that it is received by no later than 11.30 am on 5 January 2022. The Company will endeavour to respond to all questions received from Shareholders at the AGM or within seven days following the AGM.
  - Will continue to closely monitor the COVID-19 situation in the lead up to the meeting and make further updates about the meeting on the Manager's website at <https://www.mercia.co.uk/investor-relations>. Please ensure that you regularly check this page for updates.
- 2 A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her.
  - 3 To be valid, a form of proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA not later than 11.30 am on 5 January 2022.
  - 4 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those Shareholders registered in the register of members of the Company as at 6.30 pm on 5 January 2022 shall be entitled to vote (whether on a show of hands or on a poll) at the meeting in respect of the number of shares registered in their name at the time. Changes to entries on the register after 6.30 pm on 5 January 2022 (or after 6.30 pm on the day which is two working days before any adjourned meeting) shall be disregarded in determining the rights of any person to vote at the meeting.
  - 5 As at 14 December 2021 (being the last business day prior to the date of this notice) the Company's issued share capital consisted of 160,370,303 ordinary shares each carrying one vote per share. Accordingly, the total number of voting rights in the Company as at 14 December 2021 was 160,370,303.
  - 6 CREST members who wish to appoint a proxy or proxies for the meeting or any adjournment thereof by utilising the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual ([www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 7 The above statement as to proxy rights does not apply to a person who receives this notice of meeting as a person nominated to enjoy “information rights” under Section 146 of the Act. If you have been sent this notice of meeting because you are such a nominated person, the following statements apply: (a) you may have a right under an agreement between you and the member of the Company by whom you were nominated to be appointed or to have someone else appointed as a proxy for this general meeting; and (b) if you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to that member as to the exercise of voting rights.
- 8 A copy of this notice, and the other information required by Section 311A of the Act, can be found at <https://www.mercia.co.uk/vcts/nvt/>.
- 9 Section 319A of the Act requires the Directors to answer any question raised at the Annual General Meeting which relates to the business of the meeting, although no answer need be given (a) if to do so would interfere unduly with the proceedings of the Annual General Meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company’s website; or (c) if it is undesirable in the best interests of the Company or the good order of the Annual General Meeting that the question be answered.
- 10 You may not use any electronic address provided either in this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
- 11 Members should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Act, the Company may be required to publish on its website <https://www.mercia.co.uk/vcts/nvt/> a statement setting out any matter such members propose to raise at the Annual General Meeting relating to: (a) the audit of the Company’s accounts (including the auditor’s report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with Section 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company’s auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under Section 527 of the Act to publish on its website.
- 12 If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from Shareholders over which he is given discretion and any voting rights in respect of his own Shares) is such that he will have a notifiable obligation under the Disclosure and Transparency Rules of the Financial Conduct Authority (the “DTRs”), the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. Therefore, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the DTRs, need not make a separate notification to the Company and to the Financial Conduct Authority. However, any member holding 3% or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with the respective disclosure obligations under the DTRs.

# Northern Venture Trust PLC

## Form of Proxy for the Annual General Meeting on 7 January 2022

I/We .....

(block capitals please)

of .....

being a member of Northern Venture Trust PLC, hereby appoint (see notes 1 and 2)

or failing him/her the chairman of the meeting to be my/our proxy and exercise all or any of my/our rights to speak and vote for me/us in respect of my/our voting entitlement on my/our behalf at the twenty-sixth Annual General Meeting of the Company to be held at 11.30 am on 7 January 2022 notice of which was sent to shareholders on 14 December 2021 with the annual report and financial statements for the year ended 30 September 2021, and at any adjournment thereof. The proxy will vote as indicated below in respect of the Resolutions set out in the notice of meeting:

Resolution number		For	Against	Vote withheld
1	To receive and approve the Company's annual report and financial statements for the year ended 30 September 2021 together with the Directors' report and independent auditor's report thereon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	To approve and declare a final dividend of 2p per share in respect of the year ended 30 September 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To approve the Directors' remuneration report in respect of the year ended 30 September 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	To re-elect Mr S J Constantine as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	To re-elect Mr R J Green as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	To re-elect Mr T R Levett as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	To re-elect Mr D A Mayes as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	To elect Ms D N Hudson as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	To re-appoint Mazars LLP as independent auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	To authorise the audit committee to fix the remuneration of the independent auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	To generally authorise the Directors to allot shares pursuant to Section 551 of the Companies Act 2006 for the purposes of the Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	To generally authorise the Directors to allot shares pursuant to Section 551 of the Companies Act 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	To disapply Section 561(1) of the Companies Act 2006 in relation to allotments of equity securities for the purposes of the Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	To disapply Section 561(1) of the Companies Act 2006 in relation to certain other allotments of equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	To authorise the Company to make market purchases of ordinary shares in accordance with Section 701 of the Companies Act 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	To amend the articles of association to extend the life of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	To amend the articles of association to reflect an increase in the aggregate cap on directors' fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	To approve the cancellation of the share premium account arising on the issue of Ordinary Shares pursuant to the Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate by placing an **X** in this box if this proxy appointment is one of multiple appointments being made (see note 2).

**Please refer to the notes overleaf**

Signed ..... Date ..... 2021/22

**Attendance indication**

Shareholders who intend to attend the Annual General Meeting are requested to place a tick one of the boxes below in order to assist with administrative arrangements.

I/we intend to attend the Annual General Meeting in person at 11.30 am on 7 January 2022

I/we intend to attend the Annual General Meeting remotely via the Zoom webinar facility at 11.30 am on 7 January 2022

**Signed .....** **Date..... 2021/22**

If you wish to pass on any comments to, or raise any questions of, the Board, please use the box below.

**Comments to or questions for the Board**

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**Notes relating to Form of Proxy**

- 1 Every member has the right to appoint some other person(s) of his/her choice, who need not be a member, as his/her proxy to exercise all or any of his/her rights to speak or vote on his/her behalf at the meeting. A member wishing to appoint a person other than the chairman of the meeting as proxy should insert the name of such person in the space provided however, members are reminded that if they appoint someone other than the chairman of the meeting, that person will not be able to attend the meeting and vote on the member's behalf. If the proxy is being appointed in relation to less than your full voting entitlement, please enter alongside the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). Any alteration or deletion must be signed or initialled.
- 2 A member may appoint more than one proxy in relation to a meeting, provided that the proxy is appointed to exercise the rights attached to a different share or shares held by him/her. To appoint more than one proxy, please contact Equiniti Limited on 0800 028 2349 for (an) additional form(s), or you may photocopy this form. Please indicate alongside the proxy holder's name the number of shares in relation to which the proxy holder is authorised to act as your proxy. Please also indicate by placing an X in the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned together in the same envelope.
- 3 Use of the form of proxy does not preclude a member from attending and voting in person.
- 4 Where the form of proxy is executed by an individual it must be signed by that individual or his or her attorney.
- 5 Where the form of proxy is executed by joint shareholders it may be signed by any of the members, but the vote of the member whose name stands first in the register of members of the Company will be accepted to the exclusion of the votes of the other joint holders.
- 6 Where the form of proxy is executed by a corporation it must be either under its seal or under the hand of an officer or attorney duly authorised.
- 7 If the form of proxy is signed and returned without any indication as to how the proxy shall vote, the proxy will exercise his/her discretion as to whether and how he/she votes, as he/she will on any other matters to arise at the meeting.
- 8 To be valid, the form of proxy, together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA not later than 11.30 am on 5 January 2022.
- 9 The "vote withheld" option is provided to enable a member to abstain from voting on the resolution; however, it should be noted that a "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "for" and "against" the resolution.

**10 If you wish to pass on any comments or put any questions to the Board, please use the box above.**