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# Investing in the Energy Transition



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a prospectus (the “**Prospectus**”) relating to VH Global Sustainable Energy Opportunities plc (the “**Company**”) prepared in accordance with the Prospectus Regulation and the Prospectus Regulation Rules made under section 73A of FSMA and made available to the public for the purposes of section 85 of FSMA.

This Prospectus has been approved by the FCA of 12 Endeavour Square, London E20 1JN, as competent authority under the Prospectus Regulation. Contact information relating to the FCA can be found at <http://www.fca.org.uk/contact>. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Company’s Shares.

**Potential investors are recommended to seek advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom, before investing in the Company. Potential investors should also consider the risk factors relating to the Company set out on pages 13 to 29 of this Prospectus.**

The Company, whose registered office appears on page 36 of this Prospectus, and the Directors, whose names appear on page 36 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

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## **VH Global Sustainable Energy Opportunities plc**

*(Incorporated and registered in England and Wales with registered number 12986255 and registered as an investment company under section 833 of the Companies Act 2006 (as amended))*

**Prospectus relating to the Initial Placing and Offer for Subscription and Intermediaries Offer of up to 400 million Ordinary Shares and the Placing Programme of a number of Ordinary Shares and/or C Shares subject to a maximum of 600 million Shares in aggregate**

**Sponsor, Broker, Financial Adviser  
and Bookrunner**

**Investment Adviser**

**Numis Securities Limited**

**Victory Hill Capital Advisors LLP**

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Applications will be made to the FCA and the London Stock Exchange for all of the Ordinary Shares to be issued in connection with the Initial Issue and for all of the New Ordinary Shares and C Shares to be issued in connection with the Placing Programme to be admitted to the premium segment of the Official List under Chapter 15 of the Listing Rules and to trading on the Main Market. The International Security Identification Number (ISIN) for any Ordinary Shares admitted to listing and trading is: GB00BNKVP754. The International Security Identification Number (ISIN) for the C Shares to be admitted to trading is: GB00BNKVP861.

Numis Securities Limited (“**Numis**”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with the issue of Shares as described in this Prospectus and will not regard any other person (whether or not a recipient of the Prospectus) as its client and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis or for advising any such person in connection with the issue of the Shares as described in this Prospectus, the contents of the Prospectus, or any transaction or arrangement referred to in the Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction

where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Numis does not make any representation, express or implied, in relation to, nor accept any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company or the Shares. Numis accordingly disclaims all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

The contents of this Prospectus are not to be construed as legal, financial, business, investment or tax advice. Investors should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, subscription, holding, conversion, transfer, repurchase or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, subscription, holding, conversion, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, subscription, holding, conversion, transfer or other disposal of Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, the AIFM, Victory Hill or Numis nor any of their respective representatives is making any representation to any offeree, subscriber or purchaser of Shares regarding the legality of an investment in the Shares by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been taken by the Company or Numis that would permit an offer of the Shares or possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom.

**NOTICE TO PROSPECTIVE INVESTORS IN AUSTRALIA:** This Prospectus is not a prospectus or product disclosure statement under the Corporations Act 2001 (Cth) ("**Corporations Act**") and does not constitute a recommendation to acquire, an invitation to apply for, an offer to apply for or buy, an offer to arrange the issue or sale of, or an offer for issue or sale of, any securities in Australia except as set out below. The Company has not authorised nor taken any action to prepare or lodge with the Australian Securities and Investments Commission ("**ASIC**") an Australian law compliant prospectus or product disclosure statement. Accordingly, this Prospectus or any other related material in connection with the Initial Placing and Placing Programme may not be issued or distributed in Australia and the Shares may not be offered, issued, sold or distributed in Australia by the AIFM, or any other person, under this Prospectus, whether directly or indirectly (including by way of resale), other than by way of or pursuant to an offer or invitation that does not need disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act or otherwise. This Prospectus does not constitute nor involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of Shares to any person in Australia other than persons who meet the requirements of the definition of "wholesale client" as defined in section 761G of the Corporations Act.

Failure to comply with these restrictions in respect of the receipt or distribution of this document may constitute a violation of applicable law or regulation. None of the Company, AIFM, Victory Hill or Numis holds an Australian financial services licence which authorises them to issue the Shares, provide financial product advice in relation to the Shares or to promote the Initial Placing and issue of shares in connection with the Placing Programme to any person including wholesale clients. Any person who receives or reads this document should not consider it as a recommendation to purchase the Shares. To the extent that information in this document constitutes financial product advice, it is general advice only. No cooling off regime applies to an acquisition of the Shares. Numis is exempted from the requirement to hold an Australian financial services licence in respect of the financial services it provides to wholesale clients in Australia pursuant to the Australian Securities and Investments Commission Class (**ASIC**) (Order [CO 03/1099] *UK regulated financial service providers*). The Company, AIFM, Victory Hill and Numis are regulated by the Financial Conduct Authority of the United Kingdom under English law which differs from Australian law. This Prospectus is not a product disclosure statement or any other form of formal disclosure document

for the purposes of Australian law and has not been lodged with ASIC. Accordingly, this document is not required to, and does not, contain all of the information which would be required to be set out in a product disclosure statement.

**NOTICE TO PROSPECTIVE INVESTORS IN THE REPUBLIC OF IRELAND:** The Company is in the process of notifying the Central Bank of Ireland (the “Central Bank”) of its intention to market to professional investors in Ireland pursuant to Regulation 43 of S.I. No. 257/2013 – European Union (Alternative Investment Fund Managers) Regulations 2013 (as may be amended or supplemented from time to time) which transpose the AIFM Directive into Irish law (the “Central Bank Notification Procedure”).

The Company will not market in Ireland to professional investors until the relevant requirements of the Central Bank Notification Procedure have been complied with. Once the Central Bank Notification Procedure has been complied with ordinary shares may be issued to professional investors as defined in the AIFM Directive and otherwise in accordance with the AIFM Directive, the EU Regulation, the Irish European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. no 257 of 2013), as amended, and any rules issued by the Central Bank of Ireland pursuant thereto.

**NOTICE TO PROSPECTIVE INVESTORS IN NORWAY:** The Company is an alternative investment fund, but has not been approved for marketing in Norway by its manager under the Norwegian Alternative Investment Funds Act 2014 and is only distributed based on prior request from the recipient without any first approach by the manager. This Prospectus has not been prepared so as to comply with the provisions of the public offer rules in the Norwegian Securities Trading Act 2007, nor is it intended to be relied upon by anyone who is not a professional investor within the meaning of that act. The recipient of this Prospectus must not copy or in any other way transmit its contents to any other person.

The Shares described in this Prospectus have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or the securities laws of any states of the United States or under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, or Japan or their respective territories or possessions. Accordingly, the Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa, or Japan or their respective territories or possessions. The Company will not be registered under the United States Investment Company Act of 1940 (as amended) and investors will not be entitled to the benefits of such legislation. Persons resident in territories other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose of the Shares.

In particular, the attention of persons resident in the United States, Canada, Australia, the Republic of South Africa or Japan is drawn to paragraph 16 of Part 12 (*General Information*) of this Prospectus. This Prospectus does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful.

In relation to the Initial Placing, the Ordinary Shares will be issued to Placees at the Issue Price and no commission will be paid to any third parties that advise investors in respect of such issues under the Initial Placing. In relation to the Placing Programme, the Ordinary Shares and C Shares (as applicable) will be issued fully paid to Placees at the applicable Placing Programme Price and no commission will be paid to any third parties that advise investors in respect of such issues under the Placing Programme.

The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

No person guarantees the performance of, or rate of return from the Company, nor the repayment of capital in relation to an investment in such Company. An investment in the Company is not a deposit with, nor another liability of the Company, the AIFM or Victory Hill nor any of their respective related bodies corporate, associates or employees. Investment in the Company is subject to investment risks, including possible delays in repayment and loss of income and capital invested.

Any forward-looking statements in the document are made as of the date of such statements, are not guarantees of future performance, and are subject to numerous assumptions, risks and

uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Neither the Company, the AIFM nor Victory Hill undertakes any obligation to update such statements.

The Prospectus has been drawn up in accordance with the Prospectus Regulation. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Prospectus as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdictions.

**Without limitation, neither the contents of the Company's or the AIFM's, or Victory Hill's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's or the AIFM's, or Victory Hill's website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA.**

6 January 2021

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## PROSPECTUS REGULATION SUMMARY

### 1. Introduction, containing warnings

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

The Company is offering securities under the Prospectus pursuant to an initial placing and offer for subscription and intermediaries offer. The securities which the Company intends to issue under the Initial Issue are Ordinary Shares of the Company of £0.01 each, whose ISIN is GB00BNKVP754 and SEDOL is BNKVP75. The securities which the Company intends to issue under the Placing Programme are New Ordinary Shares and/or C Shares of £0.01 each in the capital of the Company, whose ISIN is GB00BNKVP861 and SEDOL is BNKVP86.

VH Global Sustainable Energy Opportunities plc can be contacted by writing to its registered office, 6th Floor, Bastion House, 140 London Wall, London EC2Y 5DN or by calling, within business hours, +44 (0) 20 3697 5353. The Company can also be contacted through its Company Secretary, Apex Fund and Corporate Services (UK) Limited, by writing to 6th Floor, Bastion House, 140 London Wall, London EC2Y 5DN or calling, within business hours, +44 (0) 20 3697 5353. The LEI number is 213800RFHAOF372UU580.

The Prospectus was approved on 6 January 2021 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN. Contact information relating to the Financial Conduct Authority can be found at <https://www.fca.org.uk/contact>.

### 2. Key information on the issuer

#### 2.1 Who is the issuer of the securities?

The Company is a public company limited by shares incorporated in England and Wales with an unlimited life under the Act and is domiciled in the United Kingdom. The Company is an investment company under section 833 of the Act. The Company's LEI number is 213800RFHAOF372UU580.

The articles of association of the Company state that the Company's objects are unrestricted. The Company's principal activity is to invest in a diversified portfolio of assets across a number of distinct geographies and a mix of technologies that facilitate the achievement of the Sustainable Development Goals by way of Sustainable Energy Infrastructure Investments.

Pending allotment of the Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Victory Hill Capital Advisors LLP ("**Victory Hill**" or "**Investment Adviser**"). The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

The Directors of the Company are:

- Bernard Bulkin OBE
- Margaret Stephens
- Richard Horlick
- Louise Kingham OBE

G10 Capital Limited (the "**AIFM**") and Victory Hill will be responsible for the performance of the Portfolio in accordance with the Investment Policy, the AIFM Agreement and the Investment Advisory Agreement.

Under the Investment Advisory Agreement, the AIFM and the Company have appointed Victory Hill as investment adviser in respect of the Portfolio.

The Company's auditor is BDO LLP.

There is no initial portfolio of investments for the Company to acquire on Admission. Of the Pipeline Assets, approximately £305 million represents Enhanced Pipeline Assets where the Investment Adviser has undertaken preliminary due diligence and (i) has made either non-binding offers or obtained exclusivity over the assets, and/or (ii) is at an advanced state of negotiation with the respective developers of these assets to ensure risk mitigation, alignment of interest and exclusive access to future developer pipeline assets. Victory Hill expects to have substantially invested or contractually committed the proceeds of the Initial Issue within 6 to 9 months from the date of Admission, provided that there are favourable market conditions and good pricing opportunities available. A Continuation Resolution will be proposed if 75 per cent. of the Net Proceeds have not been invested or contractually committed to investments within 12 months of the date of Initial Admission.

2.2 What is the key financial information regarding the issuer?

No key financial information is included in this document as the Company is yet to commence operations.

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

The attention of investors is drawn to the risks associated with an investment in the Company which, in particular, include the following:

- (a) the Company may not meet its investment objective and there is no guarantee that the Company's target level of dividends and other distributions and/or target returns, as may be from time to time, will be met;
- (b) the renewable energy sector is the subject of intense and sometimes rapidly changing regulation in many jurisdictions. Therefore the Company is exposed to the risk that the competent authorities may pass legislation that might hinder or invalidate rights under existing contracts as well as hinder or impair the obtaining of the necessary permits or licences necessary for its portfolio of Sustainable Energy Infrastructure Investments;
- (c) the use of leverage by the Company may increase the volatility of returns and providers of leverage would rank ahead of investors in the Company in the event of insolvency;
- (d) the Company intends to make investments in projects and concessions with revenue exposure to power prices. The market price of electricity is volatile and is affected by a variety of factors. Whilst some of the Company's Sustainable Energy Infrastructure Investments may benefit from fixed price arrangements for a period of time, others may have revenue which is based on prevailing power prices;
- (e) the Company depends on the diligence, skill and judgment of Victory Hill's investment professionals. In the event of a departure of a key Victory Hill employee, there is no guarantee that Victory Hill would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the Company's NAV, revenues and returns to Shareholders;
- (f) the Company may invest in Sustainable Energy Infrastructure Investments which are in construction or "ready-to-build". Assets which are in construction or "ready-to-build" may be exposed to certain risks, such as cost overruns, failure to achieve projected capacity or efficiency and construction delay which may be outside the Company's control; and
- (g) investment valuation is based on financial projections for the Company's relevant Sustainable Energy Infrastructure Investments. Projections will primarily be based on the Investment Adviser's assessment and are only estimates of future results based on assumptions made at the time of the projection.



### 3. Key Information on the Securities

#### 3.1 What are the main features of the securities?

##### 3.1.1 Ordinary Shares and/or C Shares

The Company is targeting an issue of up to 400 million Ordinary Shares pursuant to the Initial Issue comprising the Initial Placing and the Offer for Subscription and the Intermediaries Offer. Ordinary Shares will be issued pursuant to the Initial Issue at the Issue Price of 100p per Ordinary Share.

The Directors are authorised to issue up to 600 million Ordinary Shares and/or C Shares pursuant to the Placing Programme without having to first offer those Ordinary Shares and/or C Shares to existing Shareholders, provided that such number of Ordinary Shares (including New Ordinary Shares) and C Shares issued pursuant to the Initial Issue and the Placing Programme and including the Company's existing subscriber share, may not exceed 600 million Shares, in aggregate. The issue of Ordinary Shares and/or C Shares is at the discretion of the Directors.

The securities which the Company intends to issue under the Initial Issue are Ordinary Shares, whose ISIN is GB00BNKVP754 and SEDOL is BNKVP75. The securities which the Company intends to issue under the Placing Programme are New Ordinary Shares and/or C Shares, whose ISIN is GB00BNKVP861 and SEDOL is BNKVP86. Immediately following admission of the Ordinary Shares to be issued pursuant to the Initial Issue to: (i) the premium segment of the Official List; and (ii) trading on the Main Market, becoming effective in accordance with the listing rules made by the FCA under section 73A of FSMA and the admission and disclosure standards of the London Stock Exchange, the Company will have one class of share in issue.

The Ordinary Shares and C Shares are denominated in Sterling. The Ordinary Shares are being offered under the Initial Issue at the price of 100p per Ordinary Share. The Placing Programme Price of the New Ordinary Shares offered under the Placing Programme will be calculated by reference to the last published cum income Net Asset Value of each existing Ordinary Share (other than any Ordinary Shares held in treasury) at the time of issue, together with a premium intended to at least cover the costs and expenses of the placing pursuant to the Placing Programme (including, without limitation, any placing commission), such costs and expenses being estimated to be no more than 2 per cent. of the amounts raised.

Set out below is the issued share capital of the Company as at the date of this document:

	<b>Nominal value (£)</b>	<b>Number</b>
Ordinary Share	0.01	1
Management Shares	50,000	50,000

The Ordinary Share is fully paid up and will be transferred to a placee under the Initial Placing. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under Section 761 of the Act, on 30 October 2020, 50,000 Management Shares were allotted to Victory Hill Capital Advisors LLP. The Management Shares are fully paid up and will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue.

##### 3.1.2 Rights attaching to the Ordinary Shares and/or C Shares

	<b>Ordinary Shares</b>	<b>C Shares</b>
Dividend	The holders of the Ordinary Shares shall be entitled to receive, and to participate in, any dividends which	The holders of the C Shares shall be entitled to receive, and to participate in, any dividends which

## Ordinary Shares

## C Shares

the Company declared, from time to time proportionate to the amounts paid or credited as paid in relation to the Ordinary Shares that they hold, after taking account of any dividends attributable to any C Shares in issue.

the Company declared, from time to time proportionate to the amounts paid or credited as paid in relation to the tranche of C Shares that they hold.

### Rights in respect to capital

On a winding-up, provided the Company has satisfied all its liabilities and subject to the rights conferred on any other class of shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares shall be entitled to all the surplus assets of the Company, after taking account of any net assets attributable to any C Shares in issue.

On a winding-up, provided the Company has satisfied all its liabilities and subject to the rights conferred on any other class of shares in issue at that time to participate in the winding-up, the holders of C Shares shall be entitled to all the surplus assets attributable to the relevant tranche of C Shares.

### Voting

The Ordinary Shares shall carry the right to receive notice of, attend and vote at General Meetings and on a poll, to one vote for each Ordinary Share held.

The C Shares shall carry the right to receive notice of, attend and vote at General Meetings and on a poll, to one vote for each C Share held.

### 3.1.3 Restrictions on the free transferability of Ordinary Shares and C Shares

There are no restrictions on the free transferability of the Ordinary Shares or the C Shares, subject to compliance with applicable securities laws.

### 3.1.4 Dividend policy

The Board expects that distribution of dividends and interest will constitute the principal element of the return to the holders of Ordinary Shares. On the basis of market conditions as at the date of this Prospectus the Company will target a minimum dividend payment of not less than 1p in respect of the financial year ending 31 December 2021 and dividend payments of 5p per Ordinary Share on an annualised basis in respect of the financial year ending 31 December 2022. The Board intends to adopt a progressive distribution policy thereafter. Subject to market conditions and the level of the Company's net income, it is intended that a sole interim dividend will be declared in the first quarter of 2022 for the period running from incorporation to 31 December 2021 and thereafter it is intended that dividends on the Shares will be payable quarterly, all in the form of interim dividends (the Company does not intend to pay any final dividends). The Board reserves the right to retain within a revenue reserve a proportion of the Company's net income in any financial year, such reserve then being available at the Board's absolute discretion for subsequent distribution to Shareholders, subject to the requirements of the IT Regulations. The dividend policy will be subject to an annual vote at each AGM. In order to increase the distributable reserves available to facilitate the payment of future dividends, the Company has resolved that, conditional upon Admission and the approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the Issue be cancelled. The Company may, at the discretion of the Board, and to the extent possible, pay all or part of any future dividend out of capital.

Distributions made by the Company may either take the form of dividend income, or of "qualifying interest income" which may be designated as interest distributions for UK tax purposes. It is expected that a significant proportion of the Company's distributions will take the form of qualifying interest income. Prospective investors

should note that the UK tax treatment of the Company's distributions may vary for a Shareholder depending upon the classification of such distributions. **Prospective investors who are unsure about the tax treatment that will apply in respect of any distributions made by the Company should consult their own tax advisers.**

The Company may offer with the prior authority of Shareholders and subject to such terms and conditions as the Board may determine, Shareholders (excluding any holder of treasury shares) the opportunity to elect to receive Ordinary Shares, credited as fully paid, instead of the whole, or some part, of any dividend. The ability to issue Ordinary Shares in lieu of cash would provide the Company with the flexibility to retain cash where to do so would benefit the Company.

3.2 Where will the securities be traded?

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all of the Ordinary Shares to be issued in connection with the Initial Issue and for all of the New Ordinary Shares and the C Shares to be issued in connection with the Placing Programme to be admitted to the premium segment of the Official List under Chapter 15 of the Listing Rules and to trading on the Main Market.

3.3 What are the key risks specific to the securities?

The attention of investors is drawn to the risks associated with an investment in the Ordinary Shares and/or the C Shares which, in particular, include the following:

- (a) the Directors are under no obligation to effect repurchases of Ordinary Shares and/or C Shares. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares and/or C Shares (as the case may be) in the market, which may have limited liquidity;
- (b) as the price of shares in an investment trust is determined by the interaction of supply and demand for those shares in the market, the price of shares may fluctuate and may represent a discount or premium to the net asset value per share; and
- (c) an investor may not get back the amount invested.

**4. Key information on the offer of securities to the public and/or the admission to trading on a regulated market**

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

The Initial Placing will remain open until 5.00 p.m. on 27 January 2021 and the Offer for Subscription will remain open until 11.00 a.m. on 27 January 2021 and the Intermediaries Offer will remain open until 2.00 p.m. on 27 January 2021. If any aspect of the Initial Issue is extended, the revised timetable will be notified through an announcement through a Regulatory Information Service.

Assuming that the Initial Issue is fully subscribed, and the expenses of the Initial Issue are £7,500,000, the Net Proceeds will be £392,500,000 (inclusive of any irrecoverable VAT).

The Placing Programme may be implemented by any placing of Ordinary Shares and/or C Shares pursuant to the Placing Programme.

The costs and expenses of each Subsequent Issue are estimated to be no more than 2 per cent. of the amounts raised.

Under the Placing Programme, each New Ordinary Share will be made available to investors at a price calculated by reference to the estimated cum income Net Asset Value of each existing Ordinary Share together with a premium intended to cover the costs and expenses payable by the Company in connection with each Subsequent Issue. Since the New Ordinary Shares will be issued at the Placing Programme Price which includes a premium to the estimated prevailing NAV (cum income) per existing Ordinary Share to cover the expenses of each Subsequent Issue of Ordinary Shares, existing Shareholders will experience no dilution on a NAV per Share basis as a result of any issue of New Ordinary Shares and the deduction of any costs and expenses incurred in connection with such Subsequent Issue.

The costs and expenses of any Subsequent Issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

By way of illustration, assuming an initial NAV of 100p per Ordinary Share, the Placing Programme Price per New Ordinary Share would be expected to be at least 102p, and the expenses borne by the Company would be approximately 2p per Ordinary Share. The Placing Programme Price of any C Shares issued pursuant to the Placing Programme will be 100p per C Share and the costs of the relevant issue of such C Shares, which are expected to be no more than 2 per cent. of that issue, will be paid out of the proceeds of the issue and accordingly will be borne indirectly by investors in the relevant C Shares.

Assuming that £400 million is raised under the Placing Programme before expenses solely through the issue of New Ordinary Shares, a Placing Programme Price of 100p per New Ordinary Share and costs of the Placing Programme of approximately 2 per cent. of the gross proceeds, the gross proceeds would be £400 million, and the net proceeds of the Placing Programme would therefore be £392 million.

Assuming that £400 million is raised under the Placing Programme before expenses solely through the issue of C Shares, a Placing Programme Price of 100p per New Ordinary Share and costs of the Placing Programme of approximately 2 per cent. of the gross proceeds, the gross proceeds would be £400 million, and the net proceeds of the Placing Programme would therefore be £392 million.

The number of Ordinary Shares and/or C Shares available under the Placing Programme is intended to be flexible and should not be taken as an indication of the number of shares to be issued. The Company will make the decision on each individual occasion it wishes to issue shares under the Placing Programme as to whether the Company will issue Ordinary Shares or C Shares. Any issues of such shares will be notified by the Company through an announcement through a Regulatory Information Service and the Website.

The Placing Programme may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares over the duration of the Placing Programme. Ordinary Shares and/or C Shares may be issued under the Placing Programme, following the Initial Issue, from 8.00 a.m. on 3 February 2021 until 8.00 a.m. on 5 January 2022.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all of the Ordinary Shares to be issued in connection with the Initial Issue and for all of the New Ordinary Shares and the C Shares to be issued in connection with the Placing Programme to be admitted to the premium segment of the Official List under Chapter 15 of the Listing Rules and to trading on the Main Market.

The Initial Issue is conditional, among other things, on:

- (a) the Issue Agreement becoming wholly unconditional in respect of the Initial Issue (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission;
- (b) Initial Admission having become effective on or before 8.00 a.m. on 2 February 2021 or such later time and/or date as the Company and Numis may agree (being not later than 8.00 a.m. on 31 March 2021); and
- (c) the minimum gross proceeds of the Initial Issue, being £200 million (or such lesser amount as the Company, Numis and Victory Hill may agree) being raised.

Each allotment and issue of New Ordinary Shares and/or C Shares under the Placing Programme, following the Initial Issue, is conditional, among other things, on:

- (a) in the case of New Ordinary Shares, the Placing Programme Price being determined by the Directors;
- (b) Admission of the New Ordinary Shares or C Shares being issued pursuant to such issue;

- (c) the Issue Agreement becoming otherwise unconditional in respect of the relevant issue of New Ordinary Shares and/or C Shares in all respects and not having been terminated on or before the relevant date of Admission; and
- (d) a valid supplementary prospectus being published by the Company if required by the Prospectus Regulation Rules.

#### 4.2 Why is the Prospectus being produced?

##### 4.2.1 Reasons for the Initial Issue and Placing Programme

###### *Estimated net proceeds*

The Initial Issue is intended to raise up to £400 million for investment in accordance with the Company's investment objective and investment policy.

Following the Initial Issue, the Company may wish to issue further Ordinary Shares and/or C Shares to raise up to £600 million under the Placing Programme, in aggregate with any Ordinary Shares issued pursuant to the Initial Issue and including the Company's existing subscriber share. The Directors intend to use the net proceeds of any Ordinary Shares and/or C Shares issued under the Placing Programme to acquire investments in accordance with the Company's investment objective and investment policy.

Neither the Initial Issue nor Placing Programme has been underwritten.

###### *Conflicts of interest*

The AIFM, Victory Hill, the Administrator, the Registrar, Numis and any of their members, directors, officers and employees may be involved in other investment activities that may on occasion give rise to conflicts of interest between the duties carried out by them on behalf of the Company and their private interests or other duties. In particular, the AIFM and Victory Hill either does or intends to provide investment management, investment advice or other services in relation to a number of other companies, funds or accounts that may have similar investment objectives and/or policies, to that of the Company and may receive *ad valorem* and/or performance-related fees for doing so.

The AIFM and Victory Hill are committed to identifying, monitoring and managing all actual and potential conflicts of interest that can arise, and have a conflicts of interest policy which covers the fair management and resolution of such situations should they arise and which is reviewed on at least an annual basis.

The AIFM and Victory Hill may give advice or take action with respect to such other clients that differs from the advice given or actions taken with respect to the Company. The AIFM will ensure that transactions effected by it or an associate in which it or an associate has, directly or indirectly, a material interest or relationship of any description with another party, are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. Employees of the AIFM are required to disclose and, in most cases, obtain approval for any outside business interest or employment. Employees that are open to a conflict of interest are paid a basic salary, which is not dependent on business performance. Remuneration and bonus structures are designed so as not to create any incentive for officers, members or employees of the AIFM to act contrary to their client's interests.

Subject to the undertakings referred to in the previous paragraph, notwithstanding similar investment objectives, an investment opportunity for the Company may be allocated across all, some, or only one of the AIFM's clients, dependent on the size of the investment opportunity and the relative opportunity for the Company or other clients. For example, an opportunity for a small investment may not present a meaningful position in a large account and, therefore, may only be allocated to smaller accounts, all other characteristics of the accounts being comparable.



## PART 1: RISK FACTORS

Any investment in the Company should not be regarded as short-term in nature and involves a degree of risk, including, but not limited to, the risks in relation to the Company and the Shares referred to below. Prospective investors should consider carefully the following risk factors in addition to the other information presented in this Prospectus. If any of the risks described below were to occur, it could have a material effect on the Company's business or financial condition or the results of its operations. Additional risks not currently known to the Company, or that the Company currently believes are not material, may also adversely affect its business, its financial condition and the results of its operations. The value of the Shares could go down due to any of these risk factors, and investors could lose part or all of their investment.

### 1. Risk relating to the Company

#### ***The Company is a newly formed company with no separate operating history***

The Company was incorporated under the laws of England and Wales on 30 October 2020 and is a newly formed company. As at the date of this Prospectus, the Company has not commenced its activities and has no operating history. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective or implement its investment strategy and provide a satisfactory investment return. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence. Any failure by the Company to achieve its investment objective may adversely affect its operations and returns to Shareholders.

The Company's returns to Shareholders will depend on many factors, including the performance of its investments, the availability and liquidity of investment opportunities within the scope of the Company's investment objective and policy and the Company's ability to successfully operate its business and successfully pursue its Investment Policy. There can be no assurance that the Investment Policy will be successful.

#### ***The Target Total Return is based on estimates and assumptions that are inherently subject to significant commercial, economic and market uncertainties and contingencies, and the actual return to Shareholders may be materially lower than the Target Total Return and could be negative***

The Target Total Return is a target only and is based on estimates and assumptions as at the date of this Prospectus about a variety of factors including, without limitation, value, yield and performance of the Portfolio, all of which are inherently subject to significant business, economic and market uncertainties and contingencies and all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve the Target Total Return. The Company may not be able to implement its Investment Policy in a manner that generates returns in line with the targets.

Sustainable Energy Infrastructure Investment acquisitions rely on detailed financial models to support valuations. There is a risk that inaccurate assumptions or methodologies may be used in a financial model. In such circumstances the returns generated by any Sustainable Energy Infrastructure Investment acquired by the Company may be different to those expected.

Furthermore, the Target Total Return is based on the market conditions and the economic, regulatory, political and policy environment at the time of assessing the targeted returns, and are therefore subject to change. In particular, the Target Total Return assumes (save as set out in this Prospectus) that no material changes occur in government regulations or other policies, or in law and taxation, and that the Company and/or its investments are not affected by natural disasters, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this Prospectus. There is no guarantee that actual (or any) returns can be achieved at or near the Target Total Return. Accordingly, the actual rate of return achieved may be materially lower than the Target Total Return, or may result in a partial or total loss, which could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders.



### ***Reliance on projections***

Investment valuation is based on financial projections for the Company's relevant Sustainable Energy Infrastructure Investments. Projections will primarily be based on Victory Hill's assessment and are only estimates of future results based on assumptions made at the time of the projection. The Company's quarterly announcements of Net Asset Value will be based on estimates provided by Victory Hill and will not be audited. The financial information relating to the Portfolio of Sustainable Energy Infrastructure Investments on which the quarterly valuations will be based, will be based on management information provided by Victory Hill. Actual results may vary significantly from the projections, which may have a material adverse effect on the Company's NAV, revenues and returns to Shareholders.

### ***Reliance on Victory Hill, the AIFM and other third party service providers***

The Company has no employees and the Directors have all been appointed on a non-executive basis. Therefore, the Company will be reliant upon Victory Hill, the AIFM and its other third party service providers for the performance of certain functions.

The Board requires each of the Company's service providers to provide services to the Company in compliance with applicable law and regulation. The Board oversees and keeps under review the provision of services by each of the Company's service providers on an ongoing basis. To assist its ability to properly oversee service providers, the Board requires service providers to notify them as soon as reasonably practicable following any material breach of the service providers' contracts with the Company. Whilst steps are therefore taken by the Board to mitigate the risk of failure by service providers to carry out their obligations to the Company in accordance with their applicable duties of care and skill, in the event such a failure occurs, or in the event that a service provider's appointment terminates, there may be an adverse impact on the Company's NAV, revenues and returns to Shareholders.

Control failures, either by the AIFM, Victory Hill or any other of the Company's service providers, may result in operational and/or reputational problems, erroneous disclosures or loss of assets through fraud, as well as breaches of regulations.

Under the Company's proposed management structure, if the AIFM ceases to provide portfolio management services, the Company would need to cease actively investing the Portfolio until a replacement portfolio manager was appointed that would agree to appoint Victory Hill as its investment adviser under similar appointed representative arrangements that are currently in place between the AIFM and Victory Hill. There is no guarantee that the Company would be able to appoint such an alternative portfolio manager quickly or at all. In the event that it is necessary for the Company to replace the AIFM, or any other third party service provider, it may be that the transition process takes time, increases costs and may adversely affect the Company's NAV, revenues and returns to Shareholders.

### ***The departure of some or all of Victory Hill's investment professionals could prevent the Company from achieving its investment objective***

Whilst the AIFM is responsible for managing the Portfolio pursuant to the AIFM Agreement, it is reliant on the services of Victory Hill in doing so. As a result, if Victory Hill was no longer able to provide services to the AIFM and the Company this could have a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

The Company depends on the diligence, skill and judgment of Victory Hill's investment professionals. The Company's future success depends on the continued service of these individuals, who are not obliged to remain employed by, or contractually bound to perform services for Victory Hill, and Victory Hill's ability to strategically recruit, retain and motivate new talented personnel. Whilst Victory Hill endeavours to ensure that the principal members of its team are suitably incentivised, the retention of key members of its team cannot be guaranteed. In the event of a departure of a key Victory Hill employee, there is no guarantee that Victory Hill would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the Company's NAV, revenues and returns to Shareholders. Events impacting but not entirely within Victory Hill's control, such as its financial performance, it being acquired or making acquisitions or changes to its internal policies and structures could in turn affect its ability to retain key personnel. If key personnel of Victory Hill were to depart or Victory Hill was unable to recruit individuals with similar experience and calibre, Victory Hill may not be able to provide services to the requisite level

expected or required by the Company. This could have a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

***There can be no assurance that the Directors will be able to find a replacement adviser if Victory Hill resigns***

Pursuant to the terms of the Investment Advisory Agreement Victory Hill may resign by giving the Company not less than twelve months' written notice, provided that such notice may not be served before the fourth anniversary of Initial Admission. If Victory Hill were to resign, it may be difficult to locate a successor to the role. If a successor cannot be found, the Company may not have the resources it considers necessary to manage the Portfolio or to make investments appropriately and, as result there may be a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

***Past performance***

The past performance of other investments managed or advised by Victory Hill or VH Group investment professionals cannot be relied on as an indicator of future performance of the Company and the value of an investment in the Company, and the income derived from it, if any, may go down as well as up. There can be no guarantee that the investment objective of the Company will be met. Therefore investors may not get back the full value of their investment.

***Conflicts of interest***

The AIFM manages, and Victory Hill may manage, other accounts, vehicles and funds pursuing similar investment strategies to that of the Company. The appointment of the AIFM and Victory Hill is on a non-exclusive basis and it is anticipated that the AIFM will continue to allocate a significant amount of time managing other Managed Funds. It is expected that the Company may enter into transactions with other Managed Funds as a counterparty when acquiring, disposing of or co-investing in certain investments. Victory Hill, the AIFM and/or other Manager Group entities may have rendered certain services such as origination or other services for the benefit of previous and/or existing Managed Funds which held or hold an interest in an asset targeted by the Company and in return the relevant Manager Group entities may have received fees for such services. As a result, Victory Hill, the AIFM or another Manager Group entity might be subject to a conflict of interest resulting from their previous involvement in relation to such asset.

Additionally, it is probable that other Managed Funds will invest in assets which may be in competition with those invested in by the Company for customers or financing opportunities. This may on occasion give rise to conflicts of interest which the AIFM and Victory Hill will manage in accordance with their policies and procedures relating to conflicts of interest.

Where a conflict arises, Victory Hill and the AIFM will seek to ensure fair treatment of the Company. However, it cannot be assured that such conflicts of interest will always be resolved in a manner that Shareholders perceive to be in their best interest, particularly where Victory Hill and/or the AIFM need to balance divergent interests of the Company, other Managed Funds and of the Manager Group generally. In seeking to manage such conflicts, neither Victory Hill nor the AIFM may offer the Company the opportunity to invest in all investments that fall within the Investment Policy, which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

***Currency***

The Company will report its results in Sterling. The Company will make investments which are based in countries whose local currency may not be Sterling and the Company and the SPEs may make and/or receive payments that are denominated in currencies other than Sterling. To the extent the Company invests in such jurisdictions, it may be exposed to foreign exchange risk caused by fluctuations in the value of foreign currencies when the net income and net assets of those operations in non-Sterling jurisdictions are translated into Sterling for the purposes of financial reporting, which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

The Company manages currency risk through its investment approach and through a rolling 6-month hedging programme. In all non-Sterling investments, the Company will calculate a currency risk premium, which is incorporated into the investment evaluation process.

## **Brexit**

The process of the United Kingdom leaving the European Union may result in currency movements, volatility in the UK and global markets, regulatory changes and other unpredictable and ultimately unfavourable economic circumstances that may have a materially adverse effect on the Company, the AIFM, Victory Hill and the Portfolio.

## ***Adverse market conditions could have a significant impact on the Company and the value of its investment portfolio***

The value of the equity securities in the Company's investment portfolio may fluctuate and there is no guarantee that the amounts invested by the Company will be returned in whole or in part. Such investments entail a certain degree of risk as a result of adverse macroeconomic conditions, changes in interest rates, political instability and uncertainty, epidemics, pandemics, climate change, inflation, adverse weather events, war, terrorism, civil disturbances and other unpredictable factors. The performance of the Company and the value of its investments could be significantly affected by such factors both globally and in the jurisdictions where the Company invests. Adverse macroeconomic conditions or the materialisation of one or more of the above factors could have a material adverse effect on the Company and the value of the Ordinary Shares.

## ***Epidemics, pandemics, outbreaks of disease and public health issues***

The Company's operations and investments, could be materially adversely affected by epidemics, pandemics, outbreaks of disease, and public health issues, such as COVID-19. In particular, COVID-19 has spread rapidly around the world since its initial emergence in December 2019 and has negatively affected (and may continue to negatively affect or materially impact) the global economy, global equity markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). The Company may experience direct or indirect impacts from the pandemic, including delays in Victory Hill's due diligence and monitoring processes (i.e. site visits) due to travel restrictions, development or construction activities in the Company's business and the Company has some risk that its contract counterparties could fail to meet their obligations to the Company. In addition, the resurgence of COVID-19 or difficulties experienced locally or globally as people return to work, or other difficulties experienced in restarting economies, could result in localised or global recessions, which could adversely affect the Company's business.

## **2. Risks relating to the Portfolio investment strategy**

### ***There can be no assurance that the AIFM and Victory Hill will be successful in implementing the Company's investment objectives***

The Company will be dependent upon the AIFM's and Victory Hill's successful implementation of the Investment Policy and investment strategies and ultimately on the Company's ability to create an investment portfolio capable of generating attractive returns. This implementation in turn will be subject to a number of factors, including market conditions and the timing of investments relative to market cycles, many of which are beyond the control of the Company and difficult to predict. There can be no assurance that the Company will be successful in sourcing suitable investments or that the Company will make any investments at all. A Continuation Resolution will be proposed if 75 per cent. of the Net Proceeds have not been invested or contractually committed to investments within 12 months of the date of Initial Admission.

### ***Delays in deployment of the Net Proceeds***

As at the date of this Prospectus, the Company has no investments, and pending deployment of the Net Proceeds, intends to invest cash held in cash deposits and money market funds. Interim cash management is likely to yield lower returns than the expected returns from investments. There is no initial portfolio of investments for the Company to acquire on Admission. Of the Pipeline Assets, approximately £305 million represents Enhanced Pipeline Assets where the Investment Adviser has undertaken preliminary due diligence and (i) has made either non-binding offers or obtained exclusivity over the assets, and/or (ii) is at an advanced state of negotiation with the respective developers of these assets to ensure risk mitigation, alignment of interest and exclusive access to future developer pipeline assets. Whilst Victory Hill expects to have substantially invested or contractually committed the proceeds of the Initial Issue within 6 to 9 months from the date of Admission, provided that there are favourable market conditions and pricing opportunities, there can

therefore be no assurance as to how long it will take for the Company to invest all of the Net Proceeds. To the extent that there is a delay in investing the Net Proceeds, the Company's aggregate return on investments will be reduced.

***Acquisition of less than 100 per cent. of a Sustainable Energy Infrastructure Investment***

The Company will not always hold full legal and operational control of the Sustainable Energy Infrastructure Investments it acquires. The Company may participate in joint ventures or acquire majority or minority interests where this approach enables the Company to gain exposure to projects within the Investment Policy which it would not otherwise be able to acquire on a wholly-owned basis. This may hamper the Company's ability to control such assets and may also reduce the future returns to the Company.

The Company may invest in non-controlling interests in Sustainable Energy Infrastructure Investments where it may (i) have limited influence or (ii) not be able to block certain decisions made collectively by the majority equity holders or senior lenders. That may result in decisions being made about the relevant investment that are not in the interests of the Company. While the Company intends to only invest in non-controlling interests where contractual and other arrangements can be negotiated to ensure, amongst other things, that no action is taken in relation to the relevant investment which would result in the Company being in breach of its Investment Policy or borrowing restrictions, the scope of the concessions available to the Company through these agreements may be limited such that the Company has little control over the relevant investment. The Company may be unable to force a sale of the relevant investment to a third party, reducing the ability of the Company to divest its stake in the relevant investment. As a result of this lack of control, profitability of the Company may be restricted leading to reduced returns to Shareholders.

Alternatively, the Company may invest on terms that allow it to exercise control or influence over the management and the strategic direction of a Sustainable Energy Infrastructure Investment. The exercise of control over an investee vehicle imposes additional risks of liability for environmental damage, product defects, personal injury and other types of liability which may be unlimited in nature. The exercise of control over Sustainable Energy Infrastructure Investments could expose the Company to claims for damages or reimbursement by its security holders, lenders, other investors, third party service providers and/or other creditors. As a result of any such successful claims, profitability of the Company may be impaired leading to reduced returns to Shareholders, and potentially total loss of their investment.

***The Company may face competition from other investment funds and strategic investors***

The Company's ability to implement its strategy and achieve its desired returns will depend largely on its ability to identify and invest in suitable investments at satisfactory prices and on satisfactory terms. A number of funds and other strategic investors are targeting similar investment opportunities and the Company may face significant competition from such investors. Many of these competitors have greater financial resources than the Company and a greater ability to borrow funds to acquire investments. Competition for attractive investment opportunities could lead to higher prices for such opportunities which could affect the Company's ability to invest on terms which the AIFM and Victory Hill considers attractive. Such conditions may have a material adverse impact on the Company's ability to secure attractive investment opportunities and consequently may have an adverse effect on the Company and the value of the Ordinary Shares.

Whilst Victory Hill has identified the Enhanced Pipeline Assets and Further Pipeline Assets there is no guarantee that the Company will ultimately acquire any of these assets. Investments not comprised in the Enhanced Pipeline Assets and Further Pipeline Assets may also become available. The individual holdings in the Portfolio may therefore be substantially different to the Enhanced Pipeline Assets and Further Pipeline Assets. The inability of the Company to acquire Sustainable Energy Infrastructure Investments will reduce the amount of income which the Company is able to generate. As a result, the profitability of the Company may be reduced leading to reduced returns to Shareholders.

***Market conditions may delay or prevent the Company from making appropriate investments that generate attractive returns***

Market conditions may have a negative impact on the Company's ability to identify and execute suitable investments that might generate acceptable returns. As evident during previous market downturns, market conditions have had a significant impact on investment pricing and liquidity levels. Market conditions may also restrict the supply of suitable investments that may generate acceptable returns. Adverse market conditions and their consequences may have material adverse effect on the Company's business, results of operations and cash flows.

***The Company may be forced to dispose of its investments at a time when it will not be able to obtain the best value for its investments***

Whilst the Company has an indefinite life, and is under no obligation to sell its investments within a fixed time frame, there can be no assurance that, at the time the Company seeks to dispose of its investments, conditions in the relevant market will be favourable or that the Company will be able to maximise the returns on such disposed investments. To the extent that the market conditions are not favourable, the Company may not be able to dispose of investments at a gain. If the Company was required to dispose of or liquidate an investment on unsatisfactory terms, it may realise less than the last bid price at which the investment was previously recorded. As a result of the foregoing, there can be no assurances that the Portfolio can generate attractive returns for its Shareholders.

***The Company's investments in Sustainable Energy Infrastructure Investments will be illiquid and may be difficult to realise at a particular time and/or at the prevailing valuation***

The Company will invest in Sustainable Energy Infrastructure Investments. Such investments are illiquid; they may be difficult for the Company to sell and the price achieved on any realisation may be at a discount to the prevailing valuation of the relevant Sustainable Energy Infrastructure Investment. This may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

***Borrowings***

The Company may use borrowings for multiple purposes, including for investment purposes. While the use of borrowings should enhance the total return on the Shares, where the return on the Portfolio exceeds the cost of borrowing, it will have the opposite effect where the return on the Portfolio is lower than the cost of borrowing. The use of borrowings by the Company may increase the volatility of the Net Asset Value per Share.

To the extent that a fall in the value of the Portfolio causes gearing to rise to a level that is not consistent with the Company's borrowing and gearing policy, borrowing limits or loan covenants, the Company may have to sell investments in order to reduce borrowings. Such investments may be difficult to realise and therefore the market price which is achievable may give rise to a significant loss of value compared to the book value of the Sustainable Energy Infrastructure Investments, as well as a reduction in income from the Portfolio.

Any amounts that are secured under a bank facility will rank ahead of Shareholders' entitlements and accordingly, should the Portfolio not grow at a rate sufficient to cover the costs of operating the Sustainable Energy Infrastructure Investments, on a liquidation of the Company, Shareholders may not recover all or any of their initial investment.

The Company and SPEs may also find it difficult, costly or not possible to refinance future indebtedness as it matures or the terms become more expensive (for example, as the case may be, where the terms of construction finance change following completion of the construction of an asset). For example, the Company and/or SPEs may be unable to enter into an agreement to secure refinancing on similar terms or on a timely basis or at all. Further, if interest rates are higher when any relevant indebtedness is refinanced, the Company's and SPE's finance costs could increase. Any of the foregoing events may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares and may lead to Shareholder dilution as a result of further equity capital raisings by the Company or the forced sales of assets.

The Company and SPEs may incur debt with a floating rate of interest and be exposed to interest rate risk due to fluctuations in prevailing market rates. Changes in interest rates may also affect the valuation of the Portfolio by impacting the valuation discount rate. The Company and SPEs may



hedge or partially hedge interest rate exposure on borrowings. However, such measures may not be sufficient to protect the Company and SPEs from adverse movements in prevailing interest rates to the extent exposures are unhedged or hedges are inadequate to offer full protection. If exposures are unhedged, interest rate movements may lead to mark-to-market movements which may be positive or negative and upon breaking of such hedges may cause crystallisation of gains or losses. In addition, hedging arrangements expose the Company and SPEs to credit risk in respect of the hedging counterparty. Increased exposure to interest movements may have a material adverse effect on the Company's profitability, the Net Asset Value, the price of the Shares.

***Concentration risk in relation to exposure to individual Sustainable Energy Infrastructure Investments, technology and geography***

It is intended that from the date of Initial Admission, the AIFM will seek to invest and manage the Company's assets in a way which is consistent with the Company's objective of spreading investment risk. However, (following full investment of the Net Proceeds), the Company may invest (i) up to 25 per cent. of Gross Asset Value in any one Sustainable Energy Infrastructure Investment; (ii) up to 40 per cent. of Gross Asset Value in any one country; and (iii) up to 40 per cent. of Gross Asset Value in a single technology.

In the event that the investments acquired by the Company give rise to concentration risk by reference to individual Sustainable Energy Infrastructure Investments, geography and/or technology the Company's targeted returns may be materially affected where those Sustainable Energy Infrastructure Investments, geographies and/or technologies, do not deliver the returns anticipated by the AIFM and Victory Hill. Where the Sustainable Energy Infrastructure Investments comprising the Portfolio do give rise to concentration risk, the Company's overall performance will be more sensitive to the returns in respect of those individual Sustainable Energy Infrastructure Investments, geographies and/or types of Sustainable Energy Infrastructure Investment. In such circumstances, where any of the risks and uncertainties identified elsewhere in these risk factors come to fruition, this may have a more significant impact and may have a material adverse effect on the Company's profitability, the Net Asset Value, the price of the Shares.

***Unsuccessful transaction costs***

There is a risk that the Company may incur substantial legal, financial and other advisory expenses arising from unsuccessful transactions which may include expenses incurred in dealing with transaction documentation and legal, accounting and other due diligence.

**3. Risks relating to making investments**

***Development risk for certain Sustainable Energy Infrastructure Investments***

The Company may invest in Sustainable Energy Infrastructure Investments which are in construction or "ready-to-build". Sustainable Energy Infrastructure Investments which are in construction or "ready-to-build" may be exposed to certain risks, such as cost overruns, failure to achieve projected capacity or efficiency and construction delay which may be outside the Company's control. If the planning, development and construction of Sustainable Energy Infrastructure Investments is undertaken by third parties, these matters are outside the direct control of the Company. During the planning, development and construction of the relevant Sustainable Energy Infrastructure Investment, there is the possibility that the AIFM and/or Victory Hill is unable to continuously supervise the responsible third party. Any error or deviation from planning during the development and/or construction phase may lead to additional costs or expenses being incurred by the Company and SPEs and could thus result in a lower profit of the Company. If no compensation from the relevant third party (or its guarantor) can be obtained by the Company or the relevant SPE, the anticipated returns of the Company may be adversely affected.

The Sustainable Energy Infrastructure Investments are at risk that their power plants, facilities and/or infrastructures may not be fully functional due to construction errors or defects. If a third party is liable to repair or remedy any construction defect, there is a risk that such third party will not carry out such repair or remedy by the agreed deadline or at all and/or the relevant defects may not be sufficiently covered by warranty. Even if such defects are covered by warranty, there is also a possibility that such defects may only occur after the warranty period expires, or that the relevant damages exceed the scope of the warranty and therefore cannot be fully recovered.



Additional costs and expenses, delays in construction or carrying out repairs, lack of warranty cover and/or operational failures or malfunction of a Sustainable Energy Infrastructure Investment and delays in the production or supply of energy may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

### ***Due diligence risks***

Victory Hill's due diligence may not identify all risks and liabilities in respect of an investment.

Before making an investment, the AIFM and Victory Hill, on behalf of the Company, will perform commercial, financial, technical and legal due diligence on the proposed investment. In doing so, they would typically rely in part on information from third parties as a part of this due diligence. Notwithstanding such due diligence is undertaken, it may not uncover all the material risks affecting the Sustainable Energy Infrastructure Investment, and/or such risks may not be adequately protected against in the acquisition documentation. The Company may acquire Sustainable Energy Infrastructure Investments with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. If an unknown liability was later asserted in respect of the relevant Sustainable Energy Infrastructure Investment, the Company might be required to pay substantial sums to settle it or enter into litigation proceedings, which could adversely affect cash flow and the results of its operations.

To the extent that the AIFM, Victory Hill or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question, this may impact on the profitability or valuation of the investment.

The Company will have reliance on due diligence reports prepared by professionals appointed by the AIFM or Victory Hill in relation to a Sustainable Energy Infrastructure Investment. There is a risk that, notwithstanding this reliance relationship, the relevant professional adviser has limited its liability or is otherwise able to avoid liability to the Company. Should that be the case, the Company may be unable to recover losses suffered as a result of its reliance on such professional adviser.

### ***The Company may invest in Sustainable Energy Infrastructure Investments through one or more SPEs***

The Company expects to invest in Sustainable Energy Infrastructure Investments via SPEs and intermediate entities. The Company will be exposed to certain risks associated with these structures which may affect its return profile. For example, changes to laws and regulations including any tax laws and regulations applicable to the SPE, intermediate entities, or to the Company in relation to the receipts from any such SPE may adversely affect the Company's ability to realise all or any part of its interest or investment return in Sustainable Energy Infrastructure Investments held through such structures. Alternatively, any failure of the SPE or its management to meet their respective obligations may have an adverse effect on Sustainable Energy Infrastructure Investments held through such structures (for example, triggering breach of contractual obligations) and the Company's exposure to the investments held through such structures and/or the returns generated from such Sustainable Energy Infrastructure Investments for the Company. This could, in turn, have an adverse effect on the performance of the Company and its ability to achieve its investment objective.

Further, where investments are acquired indirectly as described above, the value of the underlying asset may not be the same as the SPE due, for example, to tax, contractual, contingent and other liabilities, or structural considerations. To the extent that valuations of the Company's investments in SPEs or other investment structures prove to be inaccurate or do not fully reflect the value of the Sustainable Energy Infrastructure Investments, whether due to the above factors or otherwise, this may have a material adverse effect on the Company's profitability, the Net Asset Value, the price of the Shares.

### ***Acquisition risk***

A vendor will typically provide various warranties for the benefit of the acquirer and its funders in relation to the acquisition of a Sustainable Energy Infrastructure Investment. Such warranties will be limited in extent and are typically subject to disclosure, time limitations, materiality thresholds and liability caps and to the extent that any loss suffered by the acquirer arises outside the warranties or such limitations or caps are exceeded, it will be borne by the acquirer, which may adversely affect the income received by the Sustainable Energy Infrastructure Investment which could have a

material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

***The Company may be subject to liability following the disposal of investments***

While the Company's strategy is generally to buy and hold Sustainable Energy Infrastructure Investments, the Company may be exposed to future liabilities and/or obligations with respect to Sustainable Energy Infrastructure Investments that it sells. The Company may be required or may consider it prudent to set aside provisions for warranty claims or contingent liabilities in respect of the disposal of Sustainable Energy Infrastructure Investments. The Company may be required to pay damages (including but not limited to litigation costs) to a purchaser to the extent that any representations or warranties given to a purchaser prove to be inaccurate or to the extent that the Company breaches any of its covenants or obligations contained in the disposal documentation. In certain circumstances, it is possible that representations and warranties incorrectly given could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Company may become involved in disputes or litigation in connection with such disposed investments. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as certain environmental liabilities. Any claims, litigation or continuing obligations in connection with the disposal of any Sustainable Energy Infrastructure Investments may subject the Company to unanticipated costs and may require the AIFM and Victory Hill to devote considerable time to dealing with them. As a result, any such claims, litigation or obligations may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

***Risk at end of asset life***

After completion of the operational phase, a Sustainable Energy Infrastructure Investment may be dismantled and the land restored to its original condition. So far there is limited information and experience with respect to the decommissioning and dismantling of power plants, facilities and/or infrastructures, especially for renewable energy. In addition, such dismantling, disposal and restoration may result in additional unforeseen costs to be borne by the Sustainable Energy Infrastructure Investment.

If a Sustainable Energy Infrastructure Investment is to be sold to a third party, it cannot be assured that such Sustainable Energy Infrastructure Investment can be sold by the desired deadline or at the desired purchase price due to economic fluctuations or changing market conditions in the energy and/or respective infrastructure sector. If any of these risks materialise, the performance of the relevant Sustainable Energy Infrastructure Investment may be adversely affected which in turn may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

***Risk of equity and debt financing; Dividends***

The claims of equity holders are subordinated to any creditors and are only entitled to receive dividends and other distributions if there are distributable reserves. Therefore, the success of an equity participation depends on the performance and income of the Sustainable Energy Infrastructure Investment. Any dividends or other distributions will in general depend on the Company's ability to generate realised profits for Sustainable Energy Infrastructure Investments, which, in turn, will depend on the ability to generate sufficient cashflow, the financial condition of the Sustainable Energy Infrastructure Investments, the Company's current and anticipated cash needs, the Company's costs and net proceeds on any sale of its investments and such other factors as the Board may deem relevant from time to time. As such, investors should have no expectation as to the amount of dividends or distributions that will be paid by the Company or that dividends or distributions will be paid at all.

Issuers of debt instruments may be unable to make timely payments or at all due to financial difficulties or insolvency. In such circumstances, extensive additional costs may be incurred, for example as a result of initiating litigation, seizure or foreclosure or other actions to recover the outstanding amounts. Should these risks materialise, this could have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

***Counterparties could default on their contractual obligations or suffer an insolvency event***

The Company and SPEs may enter into agreements with certain counterparties for specific project-related activities including but not limited to EPC, EPCM and O&M services, asset management, and interconnections between the Sustainable Energy Infrastructure Investments and transmission or distribution networks. There can be no assurance that a counterparty will honour its obligations under the relevant contract. In order to mitigate this, the Investment Adviser will carry out a qualitative and quantitative credit assessment before recommending a particular counterparty to the Company. The Company and SPEs will also seek extensive warranty protection from counterparties and may, where appropriate and where available on a cost-effective basis agree enhanced credit terms or obtain parent company guarantees (or both). This may, however, be insufficient in covering risks in relation to the operation of the Sustainable Energy Infrastructure Investments, and the potential default of a counterparty, despite the best efforts of the Company or relevant SPE. For example, such warranty protection is typically subject to limitations in relation to the matters, amount and the time periods covered, such that there is no guarantee that such warranty protection will provide complete cover in all scenarios. If a counterparty fails to perform its obligations under an agreement, the Company or relevant SPE may be required to seek remedy from the relevant counterparty. There is a risk that the relevant contract may not provide sufficient remedy, or any remedy at all. For example, remedies may be limited by time or amount, such as by a contractual limit on the amount that may be claimed by way of liquidated damages, which may impact the value of the Portfolio of Sustainable Energy Infrastructure Investments and may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

Additionally, a contract may be terminated prior to the expiration of the relevant term due to an event of insolvency of the relevant counterparty. The Company, the AIFM and Victory Hill will seek to mitigate the Company's exposure to such risk through carrying out qualitative and quantitative due diligence on the creditworthiness of counterparties. Despite the steps taken by the Company, the AIFM and Victory Hill, there is no assurance that any counterparty will make contractual payments or that the counterparty will not suffer an insolvency event during the term of the relevant agreement. The failure by a counterparty to pay the contractual payments or perform other contractual obligations or the early termination of the relevant contract due to the insolvency of a counterparty may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

***Operational and technical risks***

The Company will predominantly invest in established and proven technologies. However, renewable energy power generation and transmission plants and facilities and energy storage are not only technically highly complex and sensitive, in some cases their relevant technologies can also be relatively new and/or unproven. There is only limited long-term experience with respect to durability of power plants and energy storage systems. In some cases, there are few comparable systems worldwide that can be used to forecast the durability of the plants and batteries. Therefore, there is a risk that the power plants and energy storage systems, for unforeseeable reasons, cannot be used over the entire forecast period for their intended use, or achieve or maintain the predicted efficiency. It may be possible that unproven technologies are subsequently not favoured in the electricity system, for example where they lack flexibility or rank low on merit order and that could impact future revenue. Additional costs may be incurred for renewal or replacement of the power plants and energy storage systems or their system components. In particular, there is a risk of damage or even destruction of the plants and energy storage systems due to extreme weather conditions such as storms, hail, snow/ice, earthquakes and other geological risks, which are likely to occur increasingly in the future and may also occur in areas or regions that seem to have been unproblematic so far.

Sustainable Energy Infrastructure Investments are subject to operating and technical risks, including risk of mechanical breakdown, spare parts shortages, flawed design specifications, pipeline or offtake disruptions, power shutdowns, work interruptions including labour strikes or labour disputes, and other unanticipated events which adversely affect operations. While the Company will seek Sustainable Energy Infrastructure Investments with creditworthy and appropriately bonded and insured third parties who bear many of these risks, there can be no assurance that any or all such risks can be mitigated. An operating failure may lead to loss of a licence, concession or contract, on which a Sustainable Energy Infrastructure Investment may be dependent. In addition, the long-term profitability of Sustainable Energy Infrastructure Investments, once constructed, is partly

dependent upon the efficient operation and maintenance of the assets. Inefficient operations and maintenance, or limitations in the skills, experience or resources of operating companies, may reduce revenue. The technical availability of power plants may be reduced due to shutdowns or service interruptions (for example, unscheduled repair or maintenance work), leading to temporary or permanent lower or no electric current. Such circumstances may adversely affect the performance of a Sustainable Energy Infrastructure Investment which may in turn have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Technology advancement risks***

This risk arises where a change could occur in the way a service or product is delivered rendering the existing technology obsolete or where the technology used by a Sustainable Energy Infrastructure Investment itself fails. Given the significant fixed costs involved in constructing assets any technology change or failure that occurs over the medium term could threaten the profitability of a Sustainable Energy Infrastructure Investment, in particular due to the financing projections that are dependent on an extended project life. If such a change or failure were to occur, these assets would have very few alternative uses should they become obsolete. The Company mitigates these risks by using commercially-proven technologies with a strong track record and equipment warranties.

#### ***Risk of uninsured loss or damage***

The Company is subject to the risk that a Sustainable Energy Infrastructure Investment may be destroyed or suffer material damage, and the existing insurances may not be sufficient to cover all the losses and damages. In particular, geological conditions (such as floods) may cause damage to power facilities or even total loss of power plants. This can adversely affect the performance of the relevant Sustainable Energy Infrastructure Investment which in turn may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Reduction in efficiency/degradation***

The Company is exposed to the risk that a deterioration of power plant efficiency may lead to lower electricity output. For many renewable energy generation plants, their efficiency is only partially guaranteed by their manufacturers. This factor plays a significant role in energy generation forecasting. There is a risk that the actual efficiency may deviate from the guaranteed efficiency (due to, for example, pollution, vegetation, snow or wear) thereby impairing the production output. In addition, the loss of power, or the so-called degradation, may be higher than expected and efficiency lower than that guaranteed by the manufacturer, which may result in lower revenue generated by the power plant. If this risk materialises, the performance of the relevant Sustainable Energy Infrastructure Investment may already be affected which in turn may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Grid connection risks***

The Sustainable Energy Infrastructure Investments will be subject to the risk that, due to interruption in grid connection or irregularities in the overall power supply, power may not be generated or supplied. In such cases, affected Sustainable Energy Infrastructure Investments may not receive any compensation or only limited compensation in accordance with the relevant contractual and/or statutory provisions. This may adversely affect the performance of the relevant Sustainable Energy Infrastructure Investment and in turn may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Risk of contracting with government authorities***

The Company intends to invest in Sustainable Energy Infrastructure Investments that are remunerated by both government support schemes and corporate PPAs. Such agreements may include termination clauses permitting a governmental authority to terminate the agreement under certain circumstances without payment of adequate compensation. Furthermore, governmental authorities have considerable discretion in implementing regulations that could impact the renewable energy market, and because Sustainable Energy Infrastructure Investments provide basic, everyday services and face limited competition, governments may be influenced by political considerations and may make decisions that adversely affect the Company's investments.

There is a risk that if contracts or other arrangements with governmental authorities are amended, legally deficient or unenforceable, the returns of the Sustainable Energy Infrastructure Investments may be affected. As a result, this may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Exposure to power prices and risk to hedging power prices***

The Company intends to make investments in projects and concessions with revenue exposure to power prices. The market price of electricity is volatile and is affected by a variety of factors, including market demand for electricity, the generation mix of power plants, government support for various forms of power generation, as well as fluctuations in the market prices of commodities and foreign exchange. Whilst some of the Portfolio may benefit from fixed price arrangements for a period of time, others may have revenue which is based on prevailing power prices.

Many factors could lead to changes in market demand for electricity, including changes in consumer demand patterns. Increased usage of smart grids, a rise in demand for electric vehicle charging capacity and residential participation in renewable energy generation could all impact demand levels and patterns for electricity. There can be no guarantee that the Company's investments will be positively impacted by such changing dynamics which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

Furthermore, to the extent that the Company or an SPE enters into contracts to fix the price that it receives on the electricity generated or enters into derivatives with a view to hedging against fluctuations in power prices (such as corporate CFDs), the Company or SPE, as the case may be, will be exposed to risk related to delivering an amount of electricity over a specific period. If there are periods of non-production the Company or an SPE may need to pay the difference between the price it has sold the power at and the market price at that time. In circumstances where the market price is higher than the fixed or hedged price this could have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares. To the extent that the Company or an SPE relies on derivative instruments (such as corporate CFDs) to hedge its exposure to fluctuations in power prices, it will be subject to counterparty risk. A failure by a hedging counterparty to discharge its obligations could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

The Company may hedge the interest rate exposure in relation to any loan granted to it or the exposure to fluctuating electricity prices in respect of any Sustainable Energy Infrastructure Investment. To the extent that the Company engages in interest rate or electricity price hedging transactions, the Company and the Shareholders may be exposed to certain additional risks. In particular, there can be no guarantee that the hedges which the Company puts in place will be effective. For example, electricity price hedging will not cover any period of non-production by the plant and therefore the Company will be required to pay the difference between market price and the relevant hedge price.

#### ***Commodity price risks***

Some of the Sustainable Energy Infrastructure Investments will be subject to commodity price risk, including without limitation, the price of electricity and the price of fuel. The operation and cash flows of certain investments will depend, in substantial part, upon prevailing market prices for electricity and fuel, and particularly natural gas. These market prices may fluctuate naturally depending upon a wide variety of factors, including, without limitation, weather conditions, foreign and domestic market supply and demand, force majeure events, changes in law or regulatory regimes, price and availability of alternative fuels and energy sources, international political conditions including those in the Middle East, trade wars and actions of the Organisation of Petroleum Exporting Countries (and other oil and natural gas producing nations) and overall economic conditions. The Company intends to mitigate these risks by entering into (i) hedging arrangements; (ii) extendable short, medium and long-term contracts; and (iii) fixed price or availability based asset-level commercial contracts, and ensuring that market risk is combined with non-market risk exposures.

#### ***Demand, usage and throughput risks***

Residual demand, usage and throughput risk can affect the performance of infrastructure investments. To the extent that the assumptions made regarding the demand, usage and throughput



of assets prove incorrect, returns could be adversely affected. The Company may invest in infrastructure investments that derive substantially all of their revenues from collecting usage fees from users of a given infrastructure in accordance with an agreement and/or legal framework. Users of such infrastructure directly and/or indirectly operated by the Company may react negatively to any adjustments to the applicable usage fee rates by reducing the usage fees, loosening the usage conditions, increasing the quality/quantity of the service and the conditions under which the services are to be provided. Users of infrastructure may react adversely to usage fee rates, for example, by avoiding using the infrastructure or refusing to pay the usage fee, resulting in lower volumes and reduced usage revenues.

In addition, adverse public opinion, or lobbying efforts by specific interest groups, as a result of factors such as general economic conditions, negative consumer perception of increases in usage fee rates, the prevailing rate of inflation, volume and public sentiment about prevailing usage fee rates could result in governmental pressure on infrastructure investments to reduce their usage fee rates, to forego planned rate increases, to loosen user conditions or to increase the quality of the provided services. The Company cannot guarantee that any public regulator or authority will not try to exempt certain user categories from usage fees or negotiate lower usage fee rates. If public pressure or government action forces infrastructure investments to restrict their usage fee rate increases or reduce their usage fee rates, and they are not able to secure adequate compensation to restore the economic balance of the project, the Company's business, financial condition and results of operations could be materially and adversely affected.

### ***Environmental risks***

Environmental laws and regulations in the jurisdictions in which a Sustainable Energy Infrastructure Investment is located may have an impact on the asset's activities. It is not possible to predict accurately the effects of future changes in such laws or regulations on the Sustainable Energy Infrastructure Investment's performance. There can be no assurance that environmental costs and liabilities will not be incurred in the future. In addition, environmental regulators may seek to impose injunctions or other sanctions on a Sustainable Energy Infrastructure Investment's operations that may have a material adverse effect on its financial condition.

To the extent that environmental liabilities arise in the future in relation to any sites owned or used by the Company or SPEs including, but not limited to, clean-up and remediation liabilities, depending on the contractual arrangements the Company or relevant SPE may be required to contribute financially towards any such liabilities, and the level of such contribution may not be restricted by the value of Sustainable Energy Infrastructure Investment. If any such financial contributions are required these may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

### ***Risks relating to health and safety***

The physical location, construction, maintenance and operation of a Sustainable Energy Infrastructure Investment pose health and safety risks to those involved or in the vicinity of the asset. Construction and maintenance of the Sustainable Energy Infrastructure Investments may result in bodily injury, industrial accidents, and even death. If an accident were to occur in relation to one or more of the Portfolio of Sustainable Energy Infrastructure Investments, the relevant SPE could be liable for damages or compensation to the extent such loss is not covered under existing insurance policies. Health and safety concerns and/or accidents could also result in the suspension (either temporary or long-term) of operations of a Sustainable Energy Infrastructure Investment which will reduce the revenue of the Company from that Sustainable Energy Infrastructure Investment. Liability for damages or compensation in relation to accidents and/or suspension of operations could have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

### ***Dependency on meteorology and other feedstocks***

Revenue from the Portfolio will consist predominantly of remuneration for the supply of electricity generated. This depends largely on (i) actual weather conditions affecting the power plants, being in the case of wind farms and Solar PV parks the usable wind intensity or solar irradiation at each site; and (ii) availability and sourcing of feedstocks.



With regard to weather related electricity generation, actual annual wind speed, solar irradiation or hydro power rates may fluctuate resulting in lower than expected long-term average rates with a corresponding effect on the amount of electricity generated. Wind speeds that are significantly higher than expected could result in periods where the wind is too strong for the wind turbines to safely produce electricity which could result in reduced generation. There is also risk of weather cycles that are deficient in the type of weather conditions required to produce energy at the relevant Sustainable Energy Infrastructure Investment. In addition, less or more wind intensity, solar irradiation or hydropower in different regions may occur due to local and global climate changes. Furthermore, increased extreme weather conditions could also lead to a change in the wind intensity, solar irradiation and hydropower which may negatively affect output of a Sustainable Energy Infrastructure Investment. The occurrence of other geological events, such as earthquakes or landslides could cause damage or destruction of a Sustainable Energy Infrastructure Investment. Wind conditions and levels of sunlight may also be affected by man-made or natural obstructions in the vicinity of a wind farm or Solar PV park, including other wind farms, forestry or nearby buildings.

With regard to bio-fuel electricity generation, it is important to secure continuing feedstock contracts. The market for suitable fuel is precarious and subject to increasingly detailed legislation as to sources, GHG emissions and land use. In addition, there are increasing technologies competing for the same fuel. Whilst Victory Hill intends to transact with feedstock counterparties that have adequate supply arrangements in place, are established, with strong credit and only on terms where the counterparties are required to pay liquidated damages in the event that their business fails, there is no guarantee that such contracts will be available, that the cost of acquisition of such contracts does not increase or that the counterparty's business does not fail.

If such risks materialise, the performance of a Sustainable Energy Infrastructure Investment owned by the Company may be adversely affected and as a result this may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Meteorological forecasts***

Energy yield forecasts are to a large extent based on historical climate data and certain IT based simulations/calculations. There is a risk that such forecasts prove inaccurate due to meteorological measurement errors, the reliability of the forecasting model or errors in the assumptions applied to the forecasting model. In particular, extreme weather conditions may lead to greater fluctuation from historically recorded data. Climate changes may result in less or limited sunshine, reduced wind, and/or lower hydro power, all of which may serve to reduce power generated over the entire forecasting period which in turn may lead to less revenue being generated at a Sustainable Energy Infrastructure Investment which in turn may have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### **4. Risks relating to the Shares**

##### ***Discount management provisions***

Any Share buybacks in the context of the Company's discount management provisions may be satisfied by the available cash or cash equivalent resources of the Company, from borrowings, the realisation of the Company's assets or any combination of these sources of liquidity, at the Directors' discretion. Potential investors should be aware that the Company's investments have limited liquidity and therefore any such returns of capital that depend on the realisation of assets may be deferred and may ultimately generate cash which is less than the valuation of the relevant assets, which may affect the published NAV and/or the market price of the Shares.

The Company's Share buyback policy is expressly subject to the Board's discretion and therefore potential investors should not place reliance on Share buybacks as a source of potential exit from the Shares.

##### ***General risks affecting the Shares***

The price of shares in an investment trust is determined by the interaction of supply and demand for its shares in the market as well as the net asset value per share. The Share price can therefore fluctuate and may represent a discount or a premium to the net asset value per share. This discount is itself variable as conditions for supply and demand change. This can mean that the Company's Share price may go down as well as up and the Share price can fall when the NAV per

Share rises, or vice versa. There is no guarantee that the market price of the Shares will fully reflect their underlying Net Asset Value.

An investor may not recover the amount originally invested. The Company can offer no assurance that its investments will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained.

It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares.

Market liquidity in the shares of investment trusts is frequently inferior to the market liquidity of shares issued by larger companies traded on the London Stock Exchange. Although it is expected that the Shares will be traded on the premium segment of the Main Market, it is possible that there may not be a liquid market in the Shares and Shareholders may have difficulty in selling Shares. While the Directors retain the right to effect repurchases of Shares in the manner described in this Prospectus, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market. There can be no guarantee that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying NAV. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value or at all.

The number of Shares to be issued pursuant to the Initial Issue or the Placing Programme is not yet known, and there may be a limited number of holders of such Shares. Limited numbers and/or holders of Shares may mean that there is limited liquidity in the Shares which may affect: (i) an investor's ability to realise some or all of his or her investments and/or; (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which the Shares trade in the secondary market.

#### ***Further issues of Shares***

The Directors have been authorised to issue up to 600 million Shares, less any Ordinary Shares that are issued pursuant to the Initial Issue, pursuant to the Placing Programme, immediately following Initial Admission without the application of pre-emption rights. If the Directors decide to issue further Shares on a non-pre-emptive basis the proportions of the voting rights held by holders of Ordinary Shares on Initial Admission will be diluted on the issue of such shares as each Share carries the right to one vote. The voting rights may be diluted further on the conversion of any C Shares.

#### ***Risks relating to the C Shares***

The NAV performance of the C Shares may diverge significantly from that of the Ordinary Shares between the date of the relevant Subsequent Admission and conversion of the relevant C Shares into Ordinary Shares in accordance with the Articles.

Trading liquidity in the C Shares may be lower than in the Ordinary Shares which may affect: (i) a Shareholder's ability to realise some or all of its investments; (ii) the price at which such Shareholder can effect such realisation; and/or (iii) the price at which Shares trade in the secondary market. Accordingly, Shareholders may be unable to realise their investment in C Shares at Net Asset Value per Share or at all.

C Shares will represent interests in a segregated pool of assets and therefore C Shareholders will not, until conversion, have exposure to the Company's existing investments and C Shareholders' returns will be dependent on the deployment of cash raised in a timely manner.

Dividends will be declared on C Shares only in the event that there is material net income available for distribution to the C Shares.

### **5. Risks relating to regulation and taxation**

#### ***Regulation of renewable energy***

Investments in renewable energy depend largely upon governmental grants and permits or licence requirements. The renewable energy sector is the subject of intense and sometimes rapidly changing regulation in many jurisdictions. Therefore, the Company is exposed to the risk that the competent authorities may pass legislation that might hinder or invalidate rights under existing

contracts as well as hinder or impair the obtaining of the necessary permits or licences necessary for Sustainable Energy Infrastructure Investments in the construction phase. Furthermore, the relevant licences and permits may be adversely altered, revoked, or in the case of their expirations not be extended by the relevant authorities. In addition, the competent legislative bodies, authorities or other state or municipal institutions or organisations may in the future amend or repeal existing laws, regulations or guidelines which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

#### ***Risk of reliance on government subsidies and incentives***

A proportion of the Portfolio of Sustainable Energy Infrastructure Investments from time to time is likely to be subject to government subsidies and incentives. Many countries have provided incentives in the form of feed-in tariffs and other incentives to power plant owners, distributors and system integrators in order to promote the use of renewable energy. Many of these government incentives expire, phase out over time, terminate upon the exhaustion of the allocated funding, require renewal by the applicable authority or will be amended by governments due to changing market circumstances (such as market price fluctuations or the oversupply of produced electricity) or changes to national, state or local energy policy, in some cases with retrospective effect. There is also the possibility that Sustainable Energy Infrastructure Investments in which the Company invests may operate in countries where no such incentives are permitted by law. In such case, the economic success of a Sustainable Energy Infrastructure Investment depends largely on market conditions and is subject to risks which may result in decreased revenue thereby adversely affecting the performance of the relevant Sustainable Energy Infrastructure Investment which may in turn have a material adverse effect on the Company's profitability, Net Asset Value and the price of the Shares.

#### ***Disclosure Regulation***

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**Disclosure Regulation**") entered into force on 29 December 2019. The majority of its provisions will apply from 10 March 2021. The Disclosure Regulation, among other things, regulates "financial market participants", such as the AIFM, and requires them to make detailed disclosures linked to financial products that have sustainable investment as their objective. The European Supervisory Authorities are developing technical standards, which will contain additional detail regarding the content of these disclosures. It is currently unclear to what extent these technical standards will form part of UK law. As a result there is a degree of uncertainty around the extent of the disclosures that will need to be made. Whilst the Company is supportive of the policy aims of the Disclosure Regulation, and intends to procure that it is complied with in due course, compliance with its terms may create significant additional compliance costs for the Company.

#### ***"Non-complex" investment***

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("**MiFID**") and Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("**MiFIR**") (MiFID and MiFIR, are together "**MiFID II**") came into force on 3 January 2018. The Company has been advised that, following the FCA's guidance in its Policy Statement 17/14, its Ordinary Shares and C Shares should be treated as "non-complex" investments (as defined in MiFID II) but this cannot be guaranteed.

#### ***Content of Key Information Document***

Investors should be aware that the PRIIPs Regulation requires Victory Hill, as a PRIIP manufacturer, to prepare a Key Information Document in respect of the Ordinary Shares and any C Shares issued. This KID must be made available to retail investors prior to them making any investment decision and the KID relating to the Ordinary Shares is available, and any KID relating to any C Shares issued will be made available, at [www.vh-gseo.com](http://www.vh-gseo.com). The content of the Key Information Document is highly prescriptive, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context and explanations, and therefore the KID relating to the Ordinary Shares and any C Shares should be read in conjunction with other material produced by the Company, including this Prospectus and the annual reports which will be available on the Website.

***General regulatory risks***

The regulatory environment for investment funds and the managers of investment funds is evolving. Any change in the laws and regulations affecting the Company, or in the laws and regulations affecting companies or investment companies incorporated in England and Wales generally or any change in the regulations affecting investment funds or investment fund managers generally may have a material adverse effect on the ability of the Company, Victory Hill and the AIFM to carry on their respective businesses which in turn could have a material adverse effect on the Company's performance and returns to holders of Shares.

***Changes in taxation legislation or the rate of taxation***

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this Prospectus are those currently available to UK resident Shareholders only and their value depends on the individual circumstances of investors. Potential investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effect of an investment in the Company.

***Changes in accounting standards***

Any change in accounting standards or accounting practice in the UK may adversely affect the value of the Company's assets and liabilities in its books of account or restrict the ability of the Company to pay dividends or distributions and/or buy back Shares.

***Investment trust status***

It is the intention of the Directors to apply to HMRC for, and to conduct the affairs of the Company so as to satisfy the conditions for, approval as an investment trust under Chapter 4 of Part 24 of the CTA. A failure to obtain or maintain HMRC approval as an investment trust, including as a result of a change in tax law or practice, could result in the Company not being able to benefit from the current exemption for investment trusts from UK tax on chargeable gains and could affect the Company's ability to provide returns to Shareholders. It is not possible to guarantee that the Company will remain a company that is not a close company for UK tax purposes, which is a requirement to obtain and maintain status as an investment trust, as the Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for approval as an investment trust company, will, as soon as reasonably practicable, notify Shareholders of this fact.

**6. Risks relating to economic conditions**

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, epidemics, political and diplomatic events and trends, tax laws and other factors can substantially and adversely or favourably affect the Company's prospects and the value of the Portfolio.

## **PART 2: IMPORTANT INFORMATION**

In assessing an investment in the Company, investors should rely only on the information in this Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, Victory Hill, the AIFM, Numis or any other person. Neither, the delivery of this Prospectus nor any subscription or purchase of Ordinary Shares and/or C Shares made pursuant to this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained therein is correct at any time subsequent to, the date of this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Numis does not make any representation, express or implied, in relation to, nor accept any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company or the Shares. Numis accordingly disclaims all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

### **1. Regulatory information**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy Ordinary Shares and/or C Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this Prospectus may be prohibited in some countries.

Prospective investors should consider carefully (to the extent relevant to them) the notices to residents of various countries set out on pages 2 to 3 of this Prospectus.

The actual number of Ordinary Shares to be issued pursuant to the Initial Issue will be determined by the Company and Numis after taking into account demand for the Ordinary Shares and prevailing market conditions. In such event, the information in this Prospectus should be read in light of the actual number of Ordinary Shares to be issued pursuant to the Initial Issue.

Statements made in this Prospectus are based on applicable law and practice currently in force and are subject to changes therein.

### **2. Investment considerations**

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, investment or any other matters.

Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, subscription, holding, conversion, transfer or other disposal of Ordinary Shares and/or C Shares;
- any foreign exchange restrictions applicable to the purchase, subscription, holding, conversion, transfer or other disposal of Ordinary Shares and/or C Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, subscription, holding, conversion, transfer or other disposal of Ordinary Shares and/or C Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, financial, tax action, investment or any other related matters concerning the Company and an investment therein. It should be remembered that the price of securities and the income from them can go down as well as up.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's investment objective will be achieved.



As past performance of investments managed, advised and monitored by the Manager Group and their employees is not necessarily a guide to future performance and the value of an investment in the Company, and the income derived from it, if any, may go down as well as up.

This Prospectus should be read in its entirety before making any investment in the Ordinary Shares and/or C Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles of Association of the Company which investors should review. Details of where the Articles of Association are displayed can be found in paragraph 4 of Part 12 (*General Information*) of this Prospectus.

### **3. Intermediaries Offer**

The Company consents to the use of this Prospectus by financial intermediaries in connection with any subsequent resale or final placement of securities by financial intermediaries in connection with the Initial Issue only in the UK on the following terms: (i) in respect of the Intermediaries who have been appointed prior to the date of this Prospectus, as listed in paragraph 20 of Part 12 (*General Information*) of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed after the date of this Prospectus, a list of which appears on the Website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by financial intermediaries.

The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this Prospectus is given commences on 6 January 2021 and closes at 2.00 p.m. on 27 January 2021, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

**Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.**

The Company accepts responsibility for the information contained in this Prospectus with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of securities by financial intermediaries. The Investment Adviser accepts responsibility for Part 5 (Market Background), Part 6 (Investment Opportunity and Investment Approach), Part 8 (Enhanced Pipeline Assets and Further Pipeline Assets) and sections 3 and 6 of Part 7 (The Company) (together the "**Investment Adviser Sections**") for the purposes of Prospectus Regulation Rule 5.3.2(2)(f) with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of securities by financial intermediaries. To the best of the knowledge of the Investment Adviser, Investment Adviser Sections are each in accordance with the facts and make no omission likely to affect their import.

The Company has not given its consent to the use of this Prospectus for the resale or final placement of Ordinary Shares and/or C Shares by financial intermediaries under the Placing Programme.

Any new information with respect to financial intermediaries known at the time of approval of this Prospectus will be available on the Company's website at [www.vh-gseo.com](http://www.vh-gseo.com).

### **4. Forward Looking Statements**

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur. A number of factors could cause actual



results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, the facts described in Part 1 (*Risk Factors*) of this Prospectus.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Prospectus reflect the Company's view with respect to future events as at the date of this Prospectus and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations and strategy. Save as required by applicable law, or any UK or EU regulatory requirements (including FSMA, MAR, the AIFM Directive, the Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules, the Takeover Code and the Disclosure Guidance and Transparency Rules) the Company is under no obligation publicly to release the results of any revisions to any forward-looking statements in this Prospectus that may occur due to any change in its exceptions or to reflect events or circumstances after the date of this Prospectus.

Given these uncertainties, investors and prospective investors are cautioned not to place any undue reliance on such forward looking statements and should carefully consider Part 1 (*Risk Factors*) of this Prospectus for a discussion of additional factors that could cause the Company's actual results to differ materially before making any investment decision.

Notwithstanding the foregoing, nothing contained in this Prospectus shall in any way be taken to qualify the working capital statement contained in paragraph 14 of Part 12 (*General Information*) of this Prospectus.

## **5. Presentation of financial information**

The Company is newly formed and as at the date of this Prospectus has not commenced operations and has no assets or liabilities, and therefore no statutory financial statements have been prepared as at the date of this Prospectus. All future financial information for the Company is intended to be prepared in accordance with IFRS as adopted in the EU. In making an investment decision, prospective investors must rely on their own examination of the Company from time to time and the terms of the Initial Issue or Placing Programme (as applicable).

## **6. Restrictions on distribution**

The distribution of this Prospectus may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute an offer to sell or issue, or the solicitation of an offer to buy, subscribe or otherwise acquire, Shares in any jurisdiction where it would be unlawful, and in particular, subject to certain limited exceptions is not for release, publication or distribution in whole or in part, directly or indirectly, to U.S. Persons or into the United States, any member state of the EEA (other than any EEA member state, including the United Kingdom, where the Shares are lawfully marketed), Canada, Australia, the Republic of South Africa or Japan, or any of their territories or possessions.

## **7. Information to distributors**

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

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors

who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and the Placing Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Numis will only procure investors who meet the criteria of professional clients and eligible counterparties.

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

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

#### **8. Latest practicable date**

Unless otherwise indicated, the latest practicable date for the inclusion of information in this Prospectus is the close of business on 4 January 2021.

#### **9. Website Information**

Without limitation, neither the contents of the Company's or the AIFM's, or Victory Hill's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's or the AIFM's, or Victory Hill's website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA.

#### **10. Governing Law**

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

## PART 3: EXPECTED TIMETABLE, STATISTICS AND DEALING CODES

### 1. Expected Timetable of Principal Events

#### Initial Issue

Publication of the Prospectus	6 January 2021
Placing Opens	6 January 2021
Offer for Subscription opens	6 January 2021
Latest time and date for receipt of completed Application Forms under the Offer for Subscription and payment in full or settlement of the relevant CREST instruction	11.00 a.m. on 27 January 2021
Latest time and date for receipt of completed applications from the Intermediaries in respect of the Intermediaries Offer	2.00 p.m. on 27 January 2021
Latest time and date for receipt of Placing orders	5.00 p.m. on 27 January 2021
Announcement of the results of the Initial Issue	8.00 a.m. on 28 January 2021
Initial Admission of the Ordinary Shares and dealings commence	8.00 a.m. on 2 February 2021
CREST accounts credited in respect of Ordinary Shares issued in uncertificated form	as soon as practicable after 8.00 a.m. on 2 February 2021
Certificates despatched in respect of Ordinary Shares issued in certificated form*	week commencing 8 February 2021

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\* Underlying Applicants who apply to Intermediaries for Ordinary Shares under the Intermediaries Offer will not receive share certificates.

#### Subsequent Issues under the Placing Programme

Placing Programme opens	3 February 2021
Placing Programme closes	5 January 2022

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#### Notes:

(1) References to times above and in this Prospectus generally are to London times unless otherwise specified.

(2) All times and dates in the expected timetable and in this Prospectus may be adjusted by the Company. Any material changes to the timetable will be notified via an RIS.

## 2. Illustrative Issue Statistics

### Initial Issue

Issue Price per Ordinary Share	100p
Estimated net asset value per Ordinary Share on Admission	98p

### Placing Programme

Placing Programme Price per Ordinary Share	Not less than the last published cum income Net Asset Value per Ordinary Share at the time of issue plus a premium intended to at least cover the associated issue costs (including, without limitation, any placing commission)
Placing Programme Price per C Share	100p

### Dealing Codes

#### Ordinary Shares

ISIN	GB00BNKVP754
SEDOL	BNKVP75
Ticker	GSEO

#### C Shares

ISIN	GB00BNKVP861
SEDOL	BNKVP86
Ticker	GSEC

### Company

LEI	213800RFHAOF372UU580
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## **PART 4: DIRECTORS, MANAGEMENT, DEPOSITARY AND ADVISERS**

### **Directors** *(all non-executive)*

Bernard Bulkin OBE (Chair)  
Margaret Stephens  
Richard Horlick  
Louise Kingham OBE

All of 6<sup>th</sup> Floor, Bastion House, 140 London Wall, London EC2Y 5DN

### **Registered Office of the Company**

6<sup>th</sup> Floor  
Bastion House  
140 London Wall  
London EC2Y 5DN

### **Website of the Company**

[www.vh-gseo.com](http://www.vh-gseo.com)

### **Investment Adviser and Appointed Representative of the AIFM**

Victory Hill Capital Advisors LLP  
Park House, 116 Park Street  
London W1K 6SS

*Appointed representative of G10 Capital Limited*

Website: <https://victory-hill.com>

### **AIFM**

G10 Capital Limited  
136 Buckingham Palace Road  
London SW1W 9SA

*Authorised and Regulated by the Financial Conduct Authority under the Financial Services and Markets Act 2000*

Website: <https://www.lawsonconner.com>

### **Depositary**

Apex Depositary (UK) Limited  
6th Floor  
Bastion House  
140 London Wall  
London EC2Y 5DN

*Authorised and Regulated by the Financial Conduct Authority under the Financial Services and Markets Act 2000*

Website: <http://theapexgroup.com>

### **Administrator and Company Secretary**

Apex Fund and Corporate Services (UK) Limited  
6th Floor  
Bastion House  
140 London Wall  
London EC2Y 5DN

Website: <http://theapexgroup.com>



**Registrar**

Computershare Investor Services PLC  
The Pavilions, Bridgwater Road  
Bristol BS13 8AE

Website: [www.investorcentre.co.uk](http://www.investorcentre.co.uk)

**Receiving Agent**

Computershare Investor Services PLC  
The Pavilions, Bridgwater Road  
Bristol BS13 8AE

**Sponsor, Broker, Bookrunner and Financial Adviser**

Numis Securities Limited  
The London Stock Exchange Building  
10 Paternoster Square  
London EC4M 7LT

*Authorised and Regulated by the Financial Conduct Authority under the Financial Services and Markets Act 2000*

**Intermediaries Offer Adviser**

Solid Solutions Associates (UK) Limited  
5 St John's Lane  
London EC1M 4BH

**Legal Advisers to the Company**

Eversheds Sutherland (International) LLP  
One Wood Street  
London  
England  
EC2V 7WS

**Legal Advisers to Numis**

Herbert Smith Freehills LLP  
Exchange House, Primrose Street  
London EC2A 2EG

**Auditor**

BDO LLP  
55 Baker Street  
London W1U 7EU

*Member firm of the Institute of Chartered Accountants in England and Wales*

**Reporting Accountant**

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2A 1AG

*Member firm of the Institute of Chartered Accountants in England and Wales*

## **PART 5: MARKET BACKGROUND**

### **1. Energy is undergoing a major transformation**

The energy industry is one of the largest market segments in the world economy. The amount of global energy capital investment required from 2020 to 2040 is estimated to be over \$40tn. Following three consecutive years of decline, energy investment stabilised in 2018 at over \$1.8tn, as a rise in oil and gas production spending was partially offset by lower capital expenditure in power. Compared with the past decade, average annual investment is expected to rise by more than one-third to almost \$2.7tn over the next 20 years.

### **2. Demand**

Global demand for energy resources is one of the key drivers for the growth of infrastructure capital spend over the last century. It is expected to continue to form part of the main contributors to global growth, largely driven by rising incomes in developing economies, where the population is heading towards 9bn by 2040.

The world's economic middle-class population is set to grow from 3bn to 5bn by 2030, coinciding with improved living standards. Together this is expected to result in rising energy use.

The development and growth of modern economies and living standards is expected to continue to depend on reliable supplies of electricity, and it is expected that global electricity demand will rise by 30 per cent. between 2018 and 2040. Electricity and electrification are expected to play an increasing important role in the achievement of the targets set out in the Paris Accord.

The growth and proliferation of electric vehicles and efficiencies in conventional combustion engines are expected to lead to a peak in liquid fuels demand by 2030.

### **3. Sustainable Energy Growth**

With the improvement in cost-effective renewable sources of energy, led by solar and wind technologies, the world can target a 2/3rds contribution of net-zero carbon energy by 2050. More specifically the power sector can expect over 50 per cent. of its supply to stem from renewable sources, ending a dominance of fossil fuels in the power sector.

The fastest growing renewable source of energy is predicted to be solar, experiencing growth from 2 per cent. of the world's electricity to 22 per cent. by 2050. It is expected that over 30 per cent. of this solar capacity will come from Solar PV deployed 'behind the meter' by households and businesses, demonstrating the importance of the distributed energy model and the fundamental infrastructure changes required to overhaul our current grid systems. Wind is predicted to account for over 26 per cent. of the world electricity by 2050, from just over 5 per cent. today.

A large part of the success of renewable power generation can be attributed to battery storage with over 359GW of storage capacity required by 2050, in order to support the issues relating to intermittency and frequency response often associated with renewable power generation and inefficient power grid systems. In some markets for instance, battery penetration is expected to achieve over 80 per cent. penetration.

### **4. The need for further investment**

A structural shift in the orientation of capital deployment objectives in the period to 2050, combined with a retrenchment of traditional funding sources towards the energy sector, has created a significant investment opportunity for the investor community. It is expected that over US\$13.3tn will be invested in new power generation assets over the next 30 years of which 77 per cent. will go to renewable energy alone. This is roughly equivalent to over US\$416bn of new investment per annum to 2050. In order to support this growth, over US\$11.4tn is expected to be required in grid and transmission systems over the same period. This amount includes over 1,666GW of non-generating battery storage capacity utilised predominantly for frequency response.

### **5. The Circular Economy**

Today's extractive "Take-Make-Waste" linear model has created an entire industry circulating around landfilling and the burning of waste. With the majority of the world's waste stemming from

agricultural and industrial waste, over 45 per cent. of global greenhouse gas (“GHG”) emissions today stem from plastics, fashion and textiles as well as food and agriculture.

The concept of the “Circular Economy” represents a shifting of minds towards the promotion and regeneration of natural systems by designing-out waste and pollution and keeping products and materials in use. The Circular Economy represents the other half of the climate change challenge, since it is believed that relying solely on energy efficiency and facilitating the Energy Transition will only address 55 per cent. of global GHG emissions. Addressing the issues raised by the Circular Economy model are therefore crucial to supporting the attainment of the SDGs. For instance, it is believed that, for every dollar spent on food, society is paying two dollars in health, environmental and economic costs of over US\$1.3tn. Food and agriculture is predicted to account for over 77 per cent. of the annual carbon budget by 2050 if left unaddressed. A transition towards the Circular Economy is also key to achieving the climate goals set out in the Paris Accord.

Waste-to-energy aligns both energy and circular economy transitions in the attainment of the same goals. It is expected that the waste-to-energy market, which currently stands at around US\$30bn globally, will grow by an annual growth rate of 7.4 per cent. to 2027 and will reach over US\$54bn. The harnessing of waste from sources such as agricultural, council or municipal, industrial and commercial sources for use in the generation of power, heat and biogas, is considered one of the most effective ways to reduce GHG emissions and provide an effective solution to methane abatement.

## **6. Private capital investment is a facilitator in achieving greater renewable penetration**

The power sector is experiencing its most dramatic transformation since its creation more than a century ago. Electricity is increasingly becoming the “fuel” of choice in economies that are relying more on lighter industrial sectors, services and digital technologies. Its current share in global final consumption is approaching 20 per cent., yet this is set to rise further.\*

As a result of this demand, the power sector is becoming increasingly capital intensive, particularly as renewable sources become a more meaningful proportion of the energy mix. Private capital finances over 90 per cent. of new renewable energy investment globally.\*\* The International Energy Agency has forecast, based on their Stated Policies Scenario, that average yearly investments in renewable power generation alone between 2019 to 2040 will be over \$363bn, of which private sector investments are expected to account for \$326.7bn, assuming the 90 per cent. private capital split remains applicable.\*\*\*

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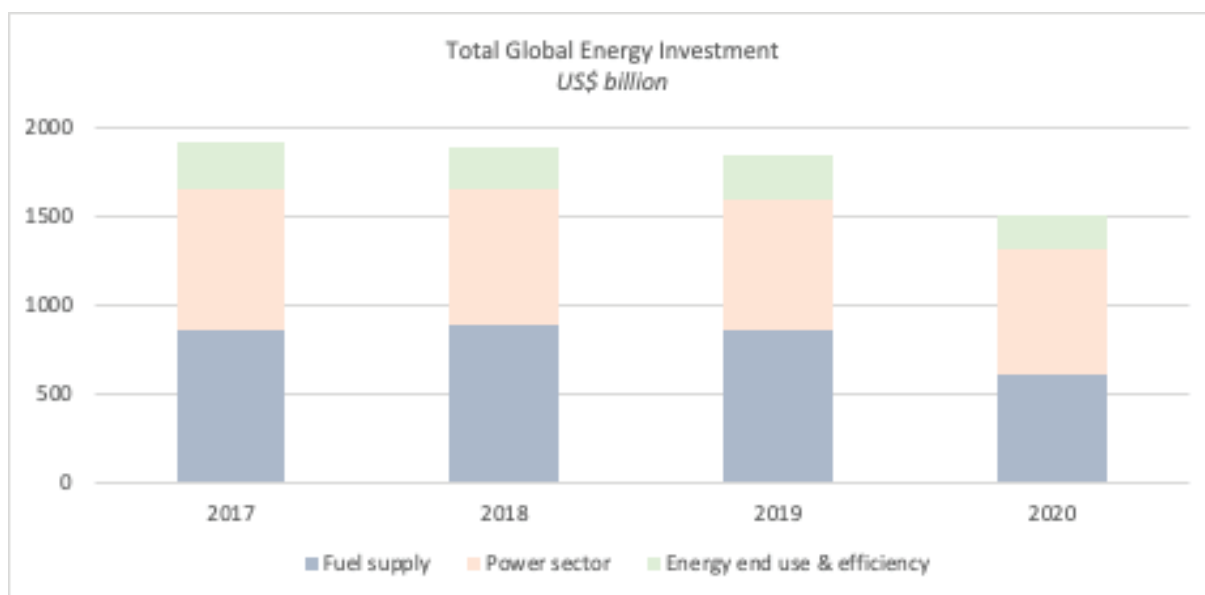
\* IEA (International Energy Agency) World Energy Outlook 2018, page 24

\*\* IRENA (International Renewable Energy Agency), Renewable Energy: A Key Climate Solution, 2017

\*\*\* IEA (International Energy Agency) World Energy Outlook 2019 – Annex A Tables for Scenario Projections – Energy Investment.

## 7. Covid-19 impact is less pronounced in sustainable energy investments

Covid-19 is changing the dynamic of investments in energy in a material way. The 2020 pandemic caused by Covid-19 has reduced the investment rate in energy this year by 20 per cent. to US\$1.5tn primarily at the cost of crude oil. Lockdown measures have impacted the transportation sector disproportionately.



Source – World Energy Investment 2020, IEA (2020) and Sustainable Recovery, IEA (2020)

By mid-April 2020, countries in full lockdown were experiencing an average 25 per cent. decline in energy demand relative to typical levels and countries in partial lockdown an average 18 per cent. decline.



Source – World Energy Investment 2020, IEA (2020) and Sustainable Recovery, IEA (2020)

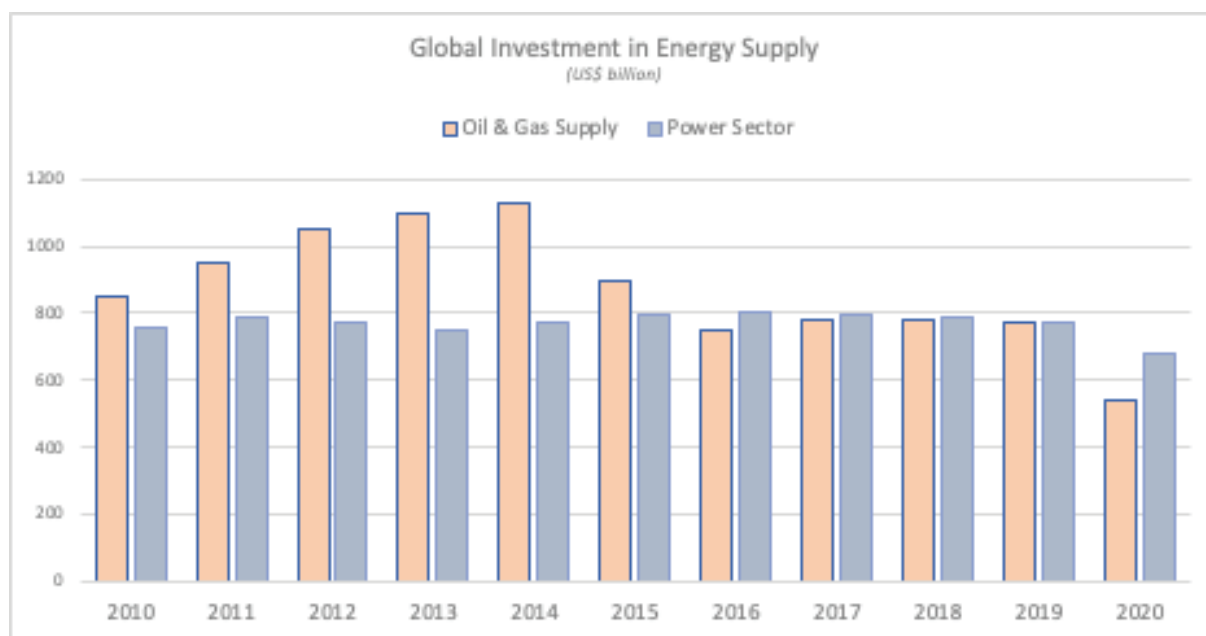
Oil is bearing the brunt of this shock because of the curtailment in mobility and aviation, which represent nearly 60 per cent. of global oil demand. At the height of the lockdowns in April, when more than 4bn people worldwide were subject to some form of confinement, year-on-year demand for oil was down by around 25 mb/d. For the year 2020, oil demand could drop by 9 mb/d on average, returning oil consumption to 2012 levels.

After oil, the fuel most affected by the crisis is set to be coal. Coal demand could decline by 8 per cent., not least because electricity demand is estimated at nearly 5 per cent. lower over the course of the year. The recovery of coal demand for industry and electricity generation in the People's Republic of China could offset larger declines elsewhere.

The impact of the pandemic on gas demand in the first quarter of the year was more moderate, at around 2 per cent. year-on-year, as gas-based economies were not strongly affected. However, gas demand could fall much further across the full year than in the first quarter, with reduced demand in power and industry applications.

In the electricity sector, demand has been significantly reduced as a result of lockdown measures, with knock-on effects on the power mix. Electricity demand has been depressed by 20 per cent. or more during periods of full lockdown in several countries, as upticks for residential demand are far outweighed by reductions in commercial and industrial operations. Demand reductions have lifted the share of renewables in the electricity supply, as their output is largely unaffected by demand. Demand has fallen for all other sources of electricity, including coal, gas and nuclear power.

For the year as a whole, output from renewable sources is expected to increase because of low operating costs and preferential access to many power systems. Nuclear power is expected to decline somewhat in response to lower electricity demand. In aggregate, this would mean that low-carbon sources far outstrip coal-fired generation globally, extending the lead established in 2019.



Source – World Energy Investment 2020, IEA (2020) and Sustainable Recovery, IEA (2020)

Investment in fuel supply has fluctuated markedly over the last decade, with typical cyclical elements common to all commodities overlaid with growing structural pressures to reduce emissions and switch to cleaner technologies. By contrast, investment in the electricity sector has been more stable, buoyed by its central place in economic development and Energy Transition strategies, and by growth in electricity demand that has consistently outpaced overall energy demand. For the fifth year in a row, investment in power is set to exceed that in oil and gas supply.

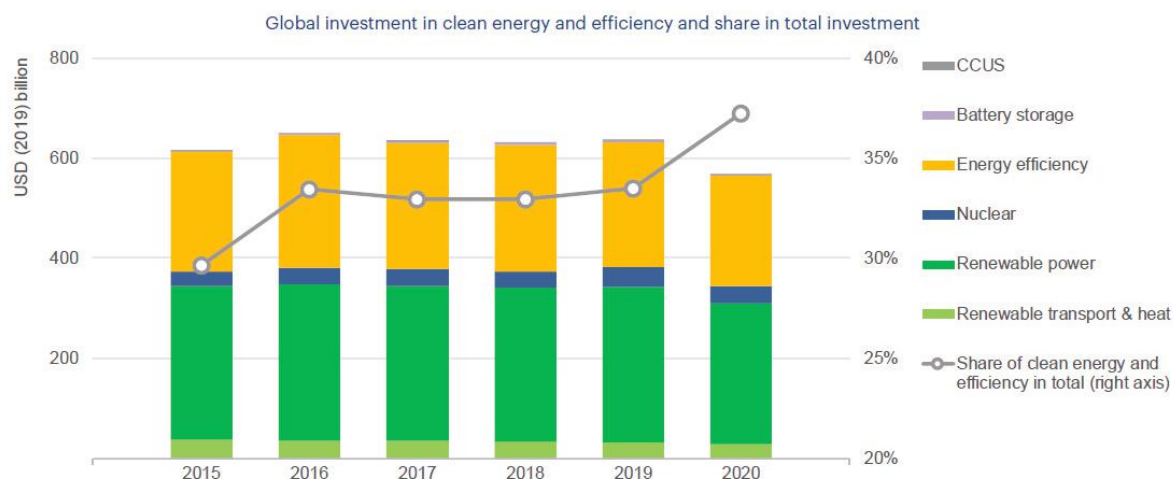
Overall, ongoing investment in renewable power projects is expected to fall by around 10 per cent. for the year, less than the decline in fossil fuel power. Capacity additions are set to be lower than 2019 as project completions get pushed back into 2021. Final investment decisions for new utility-scale wind and solar projects slowed in the first quarter of 2020, back to 2017 levels. Distributed solar investments have been more dramatically hit by lower consumer spending and lockdowns.

The crisis is prompting a further 9 per cent. decline in estimated global spending on electricity networks, which had already fallen by 7 per cent. in 2019. Alongside a slump in approvals for new large-scale dispatchable low-carbon power (the lowest level for hydropower and nuclear this decade), stagnant spending on natural gas plants, and a levelling off of battery storage investment



in 2019, these trends are clearly misaligned with the needs of sustainable and resilient power systems.

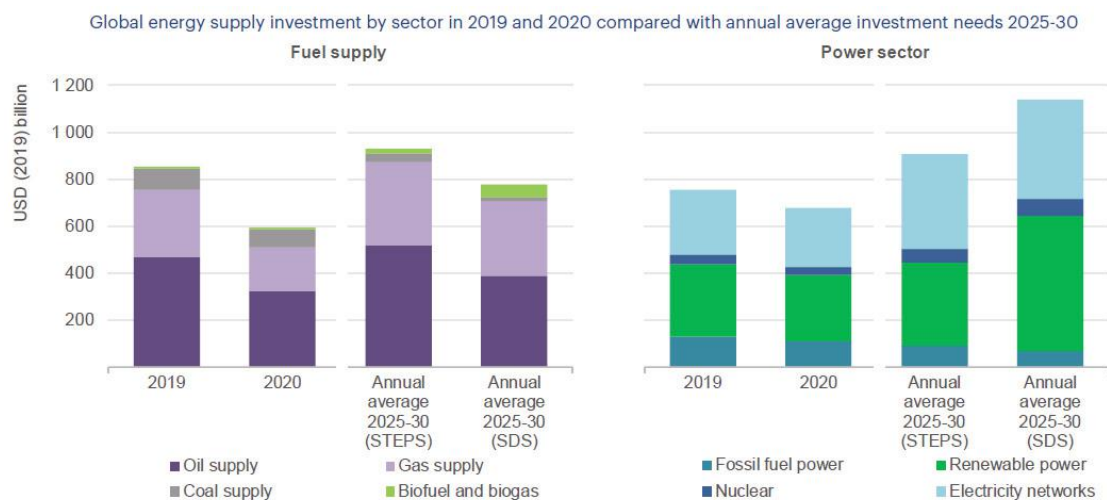
There are also some worrying signs in the data for the energy sector as a whole. In recent years the share of energy investment in GDP has declined and is set to fall to under 2 per cent. in 2020 – down from around 3 per cent. in 2014. Economy-wide investment also declined as a share of GDP over this period, but the declines in energy have been particularly steep. In part, this reflects a retreat from the boom years of oil and gas spending in the earlier part of this decade. However, the trend is visible too in the power sector and elsewhere, reflecting the lack of progress in boosting key clean energy technologies at the pace required by rising global needs and the imperative to address climate change.



IEA 2020. All rights reserved.

Note: CCUS = Carbon capture, utilisation and storage.

Source – *World Energy Investment 2020*, IEA (2020) and *Sustainable Recovery*, IEA (2020)



IEA 2020. All rights reserved.

Notes: STEPS = Stated Policies Scenario; SDS = Sustainable Development Scenario. Electricity networks include also battery storage investment. Projected investment levels are from the *World Energy Outlook 2019*; the point of comparison is the period from 2025-30 in order to provide an indicative post-recovery benchmark for spending levels.

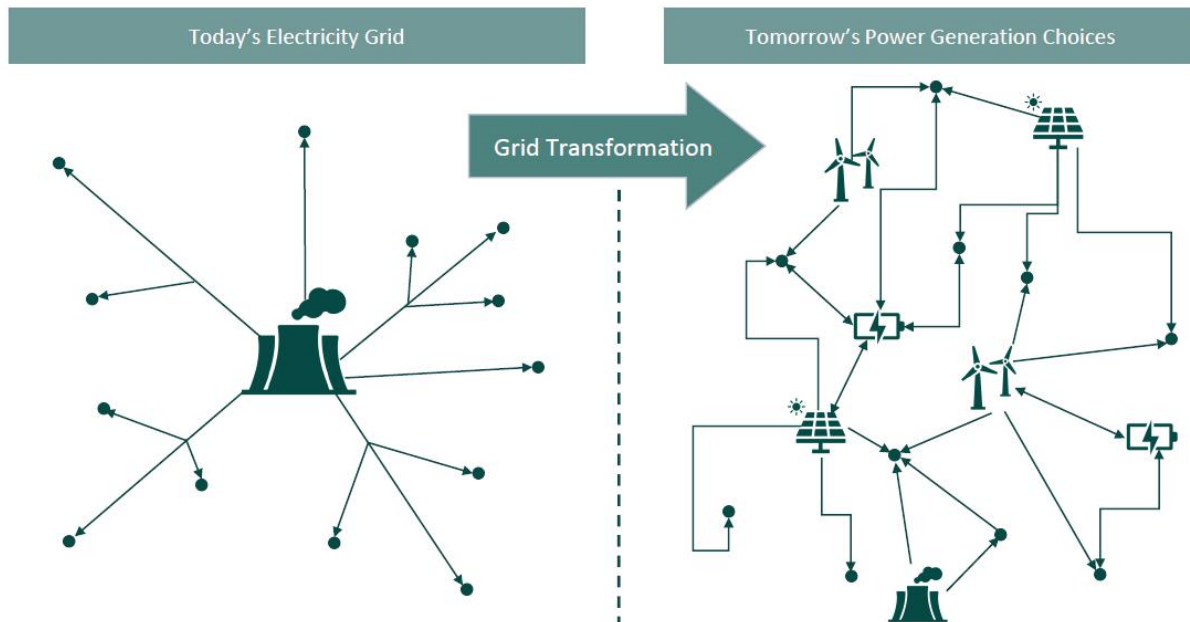
Source – *World Energy Investment 2020*, IEA (2020) and *Sustainable Recovery*, IEA (2020)

## 8. Middle market developers can be a powerful catalyst for the Energy Transition

Middle market companies are vital contributors to most developed countries' GDP. As an example, in Germany, "mittelstand" companies are responsible for more than 60 per cent. of jobs. In the U.K. middle-market businesses are responsible for one-third of all private-sector revenue and jobs. In the US, there are roughly 200,000 companies with revenues from \$10 million to \$1bn, most of which are closely held or family controlled. Such businesses produce roughly one-third of US GDP.

They are also strong drivers of economic opportunity; even in the years spanning the financial crisis, from 2007 to 2010, such companies added some 2 million jobs.

Victory Hill believes that the role of the middle market in energy, in particular within the developer community, can help underpin the proliferation of distributed or embedded energy projects in particular, while providing greater economic efficiencies and having a positive impact on local communities. Smaller projects undertaken by the middle market may be of lesser interest to larger scale developers due to their size, though Victory Hill has experienced an increasing interest from larger developers as the competitiveness in larger scale projects continues to grow.



In Victory Hill's experience, some companies that have an interest in decarbonising their operations can struggle to procure affordable renewable energy from their local providers and larger utility groups.

The specific policies and regulations that govern renewable energy in each energy market around the world are different and this can create a barrier for larger global energy groups, which are prone to achieving growth through cross-border activities. These same larger scale developers typically face the opportunity cost of allocating resources to a specific energy market against another, where precedence and scalability may be prerequisites. Victory Hill believes that a localised middle market is better able to focus resources to build expertise in a specific local energy market.

It is in Victory Hill's opinion that smaller scale projects could carry a higher IRR as they face less competition compared to large scale projects, therefore achieving diversification by building a portfolio of smaller scale projects can significantly improve the risk-return profile and help dilute transaction costs.

Smaller scale projects also have the ability to engage a wider and more diverse community where each project is built avoiding the typical concentration issues that large-scale projects can experience. There is also potential to have an impact on a broader range of communities. Victory Hill believes that a combination of multiplying smaller scale projects can also support the building of a healthier renewable energy ecosystem and support the attainment of SDGs.

## **PART 6: INVESTMENT OPPORTUNITY AND INVESTMENT APPROACH**

### **1. Investment Opportunity**

The Investment Adviser believes that an investment in the Company represents an attractive investment opportunity for the reasons set out below.

#### ***Growth of Global Energy Infrastructure***

- Global demand for energy sources is one of the key drivers for the growth of infrastructure capital spend over the last century. It is expected to continue to form part of the main contributors to global growth, largely driven by rising incomes in developing economies, where the population is heading towards 9bn by 2040. Infrastructure investments will offer investors access to a pipeline of constant yield generating opportunities.
- The Investment Adviser has identified a pipeline of Sustainable Energy Infrastructure Investments for potential acquisition by the Company and the Investment Adviser is engaged in negotiations in relation to a number of investment opportunities sourced from third parties.
- The Company offers investors direct exposure to a Portfolio which is focused on accelerating the Energy Transition to a low carbon future.

#### ***Portfolio Diversification***

- The Company will look to achieve NAV growth by investing in higher yielding Sustainable Energy Infrastructure Investments that are operational, in construction or “ready-to-build” but will not invest in assets that are under development (that is assets that do not have in place required grid access rights, land consents, planning, regulatory consents and commercial arrangements).
- By targeting a diversified portfolio across different proven technologies, the Company will seek to spread, and therefore reduce, some of the key underlying risks relating to the Sustainable Energy Infrastructure Investments.
- The geographic diversification in the Portfolio will further reduce the exposure of the Company to a particular energy market and specific “change in law” risks related to specific market renewables legislation.

#### ***Predominantly Contracted Cashflows***

- The Company will have the option to develop a strategy for optimising the contracted revenues available to it by balancing the mix of long and short-term offtake contracts in the underlying portfolio entities.
- All Sustainable Energy Infrastructure Investments are expected to have operation and maintenance agreements in place.
- Merchant exposure will only be assumed in situations in which there are opportunities to optimise returns without compromising long-term contracted revenues.

#### ***Ability to Scale Global Portfolio***

- As the Company will not be constrained to a single country or a single technology and will consider investment from a construction-ready stage, the scale of the deployment opportunity is significant. The Investment Adviser has identified a significant pipeline of assets with a value of approximately £1 billion and the Investment Adviser either has (i) secured for the Company the exclusive right to negotiate with the owner to acquire, (ii) issued non-binding offers to acquire, and/or (iii) is at an advanced stage of negotiation with the respective developers in respect of, assets with a total value of approximately £305 million.

## 2. Investment Approach/Strategy

The Company will invest in both operational and construction-ready projects that are linked to the global sustainability agenda as defined by the UN Sustainable Development Goals (“SDGs”). The Investment Adviser discriminates projects that are linked to the attainment of the SDGs by ensuring that the projects adhere to one of the four investment pathways described in paragraph 3 of Part 6 (*Investment Opportunity and Investment Approach*) of this Prospectus.

The Investment Adviser believes that this selection process will deliver an appropriate risk-adjusted internal rate of return and dividends and other income to enable the Company to meet its investment objective, with a view to creating a balanced Portfolio with exposure across a range of jurisdictions, technologies, counterparties and operating partners.

## 3. Energy Sustainability-Focused Investment Strategy

### **UN Sustainable Development Goals**

The SDGs are the blueprint for the Company’s sustainability-focused investment strategy. The 17 SDGs were adopted by all UN Member States in 2015, and together they address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 SDGs are all interconnected and the UN Member States committed in 2015 to “leave no-one behind” and implement fully the 2030 Agenda for Sustainable Development. (*source – The United Nations Website*).



According to the International Energy Agency (the “IEA”), the SDGs that are directly impacted by energy are: the achievement of universal access to energy (SDG 7), the reduction of the severe health impacts of air pollution (part of SDG 3) and tackling climate change (SDG 13). The IEA’s Sustainable Development Scenario provides a pathway for a major transformation of the global energy system, showing how the world can deliver on these three SDGs simultaneously.

Three further SDGs have been identified by Victory Hill as having a connection with the impact of capital investment in developing sustainable energy globally. These are related to the promotion of decent working environments and economic growth, industry, innovation and infrastructure as well as partnerships (SDGs 8, 9, 17).

Together, these targets translate to the need for the global community to invest its attention, talent, and resources to help solve the challenge posed by sustainability. A key way to achieve this, is to harness private capital participation with the support of public policy.

Victory Hill has distilled these core 6 SDGs into four “pathways” (each an “**Investment Pathway**”), which constitute its investment themes. These are discussed below.

### ***Pathway I – Addressing Climate Change***

The issue of Addressing Climate Change constitutes just one of the 17 SDGs, albeit it is clearly the challenge of our time. A key part of this challenge is the global community's ability to reduce greenhouse gas ("GHG") emissions in key facets of global economies, and the daily lives of people.

Whilst acknowledging that true lasting results are only likely to be achieved when society's behaviour to energy consumption fundamentally changes as well, the Company will seek to focus on change which can be effected by capital investment. Within that context, the Company's investment strategy will focus on five themes that contribute to the reduction of GHGs.

The most obvious objective here is to reduce the impact of GHGs through investing in renewable energy technologies and fuel sources. As such, the Company will invest a large portion of its deployable capital into a pipeline of renewable energy infrastructure involved in power generation, energy storage, and alternative fuel sources.

However, it is also important, not to simply build a portfolio of renewable power projects alone, but to also facilitate the transition of some traditional power sources as well. For example, it is possible to reduce materially the level of GHGs by converting existing thermal power plants to using a biofuel.

### ***Pathway II – Energy Access***

Energy is vital for our quality of life but unfortunately not all people in the global community can afford the costs or even have access to it. According to the UN, 800 million people are without electricity or power, and 2.6bn people have no access to clean fuels for cooking.

According to the IEA, the growth of energy demand to 2040 will come predominantly from developing economies and renewable power has the potential of affording new access to energy at an affordable price. (For example, solar generation closer to load centres bringing energy to communities that are not connected to the grid).

This form of distributed energy is most likely to be developed by middle market developers and home-grown businesses, and essentially leads to a reduction in reliance to fossil fuels.

Ensuring that growth in access to energy, which also adheres to other SDGs such as Climate Change, is a key challenge for governments, investors and businesses alike. There is an acknowledgement that a level of pragmatism is required in meeting SDG policies. Traditional non-renewable energy sources are likely to continue playing a role in the energy mix of world economies.

### ***Pathway III – Energy Efficiency***

Energy efficiency means using less energy to perform the same task and, by doing so, eliminating energy waste. It therefore results in several significant benefits. Energy efficiency reduces GHGs, and reduces demand for energy imports into domestic markets, thereby lowering the cost of energy to households and the economy overall. For example, if a house is insulated, less energy is used in heating and cooling to achieve a satisfactory temperature. Another example would be installing fluorescent lights or skylights, instead of incandescent lights, to attain the same level of illumination.

Energy efficiency at a household and localised level can be achieved through the utilisation of more efficient technology or processes. For example, energy efficient buildings, industrial processes and transportation could reduce the world's energy needs in 2050 by one third, and therefore help control global emissions of GHGs.

Energy efficiency may also be achieved at the grid and national levels through investment in some of the following areas, which the Company may consider as part of its investment focus:

1) Electricity interconnectors – Power interconnectors (e.g. between the UK and continental Europe) increases the efficiency of the electricity systems by reducing the costs of meeting electricity demand and, in parallel, improving security of supply and facilitating the cost effective integration of the growing share of renewable energy sources – (source – *Report of the EU Commission Expert Group, November 2017*).

2) Grid Resilience and Frequency Response – Power outages in power networks do not only exist in emerging energy markets, but also in developed ones too, thereby disrupting energy efficiency on the grid. It is not uncommon for developed economies such as the UK to experience power outages



as a result of this issue (such as in 2019, when a total of 1.13GW of generation came offline and triggered a disconnection on the system). One key identified approach to help solve frequency response (i.e. to ensure that there is a sufficient source of power capacity which can be brought online quickly to help stabilize frequency on the grid and prevent outages) is energy storage – batteries.

Power storage also solves the issue of renewable power intermittency issue quite directly. It can play a vital role in grid stabilization where renewable power sources co-exist with traditional power sources. For example, baseload power generation in Australia has been reliant on coal-power generation for baseload and is increasingly seeing new developments in renewable power generation compete due to the ability to store power and sell at more opportune times into the grid.

3) Investment in ageing grid systems which were developed as one-way transmission systems (i.e. sourcing power from larger traditional generators), as opposed to handling the growing number of independent sources of distributed power back into the grid (multi-directional grid system). The advent of “Smart Grids” improve the distribution and breadth of the power generation base, allowing consumers to become prosumers and contribute back into the grid system. This reduces energy loss materially and promotes efficiency of usage.

#### ***Pathway IV – Market Liberalisation***

Market Liberalisation, SDG 7, speaks of ensuring universal access to affordable, reliable and modern energy supply. The liberalisation of energy markets is the first stage in the development and modernization process of an energy market.

Broadly speaking, energy market liberalisation aims to (i) facilitate the reduction of state-ownership of key energy infrastructure and sources of energy production and supply, (ii) allow for competition and choice across the energy value chain and (iii) facilitate the participation of private investors and capital. The goals of liberalisation are typically favourable to consumers as competition helps drive down household energy costs. Another effect is the attraction of new investment into the energy sector which improves resilience, efficiency and access.

These markets typically also experience high growth from the point of liberalisation, and this helps create new typically domestic energy market participants that have the potential to capture significant market share. Victory Hill believes that market liberalisation may occur in both developed and developing economies.

**4. Enabling the Energy Transition requires further participation from the middle market developers in investments**

***A disciplined approach to allocating capital in the middle market developers' projects is an opportunity to help transform the energy market.***

To capture the opportunity presented by the required transformation of the energy industry, it is important to enable the middle market developers. The definition of a middle market developer does not necessarily follow the traditional line based on financial metrics such as turnover or number of employees. In the Investment Adviser's opinion, the ideal middle market developer that can be supported to transform the energy industry can be characterised as entities that combine the following key attributes:

- Proprietary knowledge of a region's dynamics or of a certain technology
- Nimble decision-making process with few layers that enable agile response to changes in the environment
- A focused strategy based on a specific knowhow
- Scalable business model, offering opportunity for continuous growth
- Experienced and proven track record of the management and operations team
- Willingness to institutionalise and gain access to capital



## PART 7: THE COMPANY

### 1. Introduction

The Company is a newly established, externally managed closed-ended investment company incorporated on 30 October in England and Wales with registered number 12986255, with an indefinite life and registered as an investment company under section 833 of the Act. The Company intends to carry on business as an investment trust within the meaning of Chapter 4 of part 24 of the CTA. The Company is targeting raising up to £400 million through the issue of up to 400 million Ordinary Shares pursuant to the Initial Issue. The Company intends that its Shares will be listed on the premium segment of the Official List and admitted to trading on the Main Market.

The Company is not regulated by the FCA or any other regulatory authority but will, following Initial Admission, be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules. The Listing Rules include a listing principle that a listed company must ensure that it treats all holders of the same class of shares that are in the same position equally in respect of the rights attaching to such shares. The Directors intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of Chapter 4 of Part 24 of the CTA.

The Company is expected to qualify for the London Stock Exchange's Green Economy Mark at Admission, which recognises companies that derive 50% or more of their total annual revenues from products and services that contribute to the global green economy. The underlying methodology incorporates the green revenues data model developed by FTSE Russell, which helps investors understand the global industrial transition to a green and low carbon economy with consistent, transparent data and indexes.

### 2. Investment objective

The Company's investment objective is to seek to generate stable returns, principally in the form of income distributions, by investing in a diversified portfolio of global sustainable energy infrastructure assets, predominantly in countries that are members of the EU, OECD, OECD Key Partner Countries or OECD Accession Countries.

### 3. Target Total Return\*

On the basis of market conditions as at the date of this Prospectus and whilst not forming part of the Company's investment objective, the Company will, once the Net Proceeds have been fully invested, target a Net Asset Value total return of 10 per cent. per annum, net of the Company's costs and expenses.

On the basis of market conditions as at the date of this Prospectus the Company will target a minimum dividend of not less than 1p in respect of the financial year ending 31 December 2021 and dividend payments of 5p per Ordinary Share on an annualised basis in respect of the financial year ending 31 December 2022. The Board intends to adopt a progressive distribution policy thereafter.

### 4. Investment policy

The Company will seek to achieve its investment objective by making Sustainable Energy Infrastructure Investments across the EU and OECD group of nations predominantly, including but not limited to OECD Key Partner Countries and OECD Accession Countries. The Company's investments in global sustainable energy infrastructure must be:

- (i) investments in sustainable energy infrastructure that support the attainment and pursuit of the United Nations Sustainable Development Goals (the "**SDGs**") where energy and energy infrastructure investments are a direct contributor to the acceleration of the Energy Transition towards a net zero carbon world; and

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\* This is a target and is based on current market conditions as at the date of this Prospectus only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any distributions at all. This target return should not be taken as an indication of the Company's expected or actual current or future results. The Company's actual return will depend upon a number of factors, including but not limited to the size of the Initial Issue, the Company's net income and the Company's ongoing charges figure. Potential investors should decide for themselves whether or not the return is reasonable and achievable in deciding whether to invest in the Company. See further under the section "Risk Factors".

- (ii) investments that can be categorised into one or more of the four Investment Pathways that guide the Company's investment strategy. These Investment Pathways are (1) Addressing Climate Change, (2) Energy Access, (3) Energy Efficiency, and (4) Market Liberalisation,

and will also fall into one or a combination of the following categories:

- (i) power, heat and green gas producing assets reliant on, but not limited to, wind, solar, biomass, natural gas and hydropower technologies;
- (ii) production and refinement of fuels derived from biomass sources;
- (iii) energy storage infrastructure such as containment and non-processing facilities for liquid and gas fuel sources, power storage utilising battery or gravity-based technologies;
- (iv) energy transportation infrastructure such as pipelines, interconnectors and micro-distribution grids;
- (v) distributed energy sources (heat, power, gas and steam) which are produced close to where it will be used, rather than at a large centralised plant elsewhere, delivered through a centralised grid infrastructure; and/or
- (vi) equipment that is installed at the premises or on site, directly connected to the premises including, but not limited to, CHP units, CCHP plant schemes, HVAC units, lighting equipment, biomass boilers and steam raising boilers (including intermediate pressure (IP) steam processors),

in each case, either already operating or in construction/development ("**Sustainable Energy Infrastructure Investments**").

The Company will look to achieve NAV growth by investing in higher yielding Sustainable Energy Infrastructure Investments that are operational, in construction or "ready-to-build" but will not invest in assets that are under development (that is assets that do not have in place required grid access rights, land consents, planning and regulatory consents and commercial arrangements).

The Company will acquire a mix of controlling and non-controlling interests in Sustainable Energy Infrastructure Investments that will be held within Special Purpose Entities (each, an "**SPE**") into which the Company will invest through equity and/or shareholder loan instruments. In certain instances, the SPE may hold one or more Sustainable Energy Infrastructure Investments of a similar type.

The Company may invest in SPEs structured as joint venture investments ("**JVs**") or co-investments, including through minority stakes, where this approach is the only viable approach. Where the Company participates in a JV or a co-investment, it will seek to secure its rights through obtaining protective provisions in shareholders' agreements, joint venture agreements, co-investment agreements or other transactional documents, as well as board representation for the Investment Adviser, and with the aim of trying to ensure that the investment is managed in a manner that is consistent with the Investment Policy.

#### 4.1 Diversification

The Company aims to achieve diversification principally by making a range of Sustainable Energy Infrastructure Investments across a number of distinct geographies and a mix of proven technologies that facilitate the achievement of the SDGs by way of Sustainable Energy Infrastructure Investments.

#### 4.2 Investment Restrictions

The Company can invest (calculated at the time of investment) up to:

- 25 per cent. of Gross Asset Value in any one Sustainable Energy Infrastructure Investment;
- 40 per cent. of Gross Asset Value in a single technology;
- 35 per cent. of Gross Asset Value in assets that are in construction or "ready-to-build";
- 40 per cent. of Gross Asset Value in assets that are located in any one country;
- 30 per cent. of Gross Asset Value in assets that are owned or operated by a single developer;

- 10 per cent. of Gross Asset Value in assets that are located in countries that are not members of the EU, OECD, OECD Key Partner Countries or OECD Accession Countries; and
- 10 per cent. of Gross Asset Value in other closed-ended investment funds which are listed on the Official List.

The investment restrictions set out above and in paragraph 4.3 apply following full investment of the Net Proceeds by the Company.

No investments will be made in fossil fuel or mineral extraction projects.

Non-compliance resulting from changes in the price or value of Sustainable Energy Infrastructure Investments following investment will not be considered as a breach of the investment restrictions.

The Company will hold its investments through one or more SPEs and the investment restrictions will be applied on a look-through basis.

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Company through an RIS announcement.

#### 4.3 Cash management

Whilst it is the intention of the Company to be fully or near fully invested in normal market conditions, uninvested cash or surplus capital or assets may be invested on a temporary basis in:

- cash or cash equivalents, namely money market funds (as defined in the 'Guidelines on a Common Definition of European Money Market Funds' published by the Committee of European Securities Regulators (CESR) and adopted by the European Securities and Markets Authority (ESMA)) and other money market instruments (including certificates of deposit, floating rate notes and fixed rate commercial paper of banks or other counterparties having a "single A" or higher credit rating as determined by any internationally recognised rating agency selected by the Board which, may or may not be registered in the EU); and
- any "government and public securities" as defined for the purposes of the FCA Rules,

provided that not more than 20 per cent. of the Gross Asset Value, calculated at the time of investment, may be so invested, following the deployment of the Net Proceeds.

#### 4.4 Borrowing Policy

The Company may make use of long-term limited recourse debt for Sustainable Energy Infrastructure Investments to provide leverage for those specific Sustainable Energy Infrastructure Investments. Such long-term limited recourse debt will not, in aggregate (calculated at the time of entering into or acquiring any new long-term limited recourse debt), exceed 60 per cent. of the prevailing Gross Asset Value.

In addition, the Company may make use of short-term debt, such as a revolving credit facility, to assist with the acquisition of suitable opportunities as and when they become available. Such short-term debt will be subject to a separate gearing limit so as not to exceed 30 per cent. of the Gross Asset Value at the time of entering into (or acquiring) any such short-term debt.

In circumstances where these aforementioned limits are exceeded as a result of gearing of one or more Sustainable Energy Infrastructure Investments in which the Company has a non-controlling interest, the borrowing restrictions will not be deemed to be breached. However, in such circumstances, the matter will be brought to the attention of the Board who will determine the appropriate course of action.

As at the date of this Prospectus, the Company has not incurred any borrowings and has not granted any mortgage, charge or security over or in relation to any of its assets.



#### 4.5 Use of derivatives

The Company may enter into hedging transactions for the purposes of efficient portfolio management, which may include (as relevant) short-term currency hedging (as described in paragraph 6.4 of this Part 7 (*The Company*)), interest rate hedging and power price hedging. The Company does not intend to use hedging or derivatives for investment purposes but may from time to time use risk management instruments such as forward contracts and swaps (collectively “**Derivatives**”) to protect the Company from any fluctuations in the relative value of currencies against Pound Sterling, as well as to hedge against interest rates and power prices. The Derivatives must be traded by private agreements entered into with financial institutions or reputable entities specialising in this type of transaction and will be limited to maturities no longer than 12 months. The Company will target investments that provide sufficient asset-level returns to compensate for longer term fluctuations in exchange rates. Furthermore, asset level returns where possible will be linked to local inflation rates.

Derivatives may be employed either at the level of the Company, at the level of the relevant SPE or at the level of any intermediate wholly owned subsidiary of the Company.

It is intended that all hedging policies of the Company will be reviewed by the Board and the AIFM on a regular basis to ensure that the risks associated with the Company’s investments are being appropriately managed. Any derivative transactions carried out will only be for the purpose of efficient portfolio management and will not be carried out for speculative purposes.

#### 4.6 Amendment to investment policy

As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the approval of the FCA and Shareholders, by ordinary resolution and will be notified to HMRC. If a change to the investment policy is material for the purposes of the AIFM Rules, the consent of the FCA will also be required prior to implementation of such change.

### 5. Investment Management and Advisory Arrangements

#### 5.1 AIFM

The Company has appointed the AIFM as its alternative investment fund manager pursuant to the AIFM Agreement, the terms of which are set out in more detail below and in paragraph 8.1 of Part 12 (*General Information*) of this Prospectus. The AIFM is a limited liability company and was incorporated on 18 September 2014 with registration number 09224491 in England and Wales under the Act. It is authorised and regulated by the FCA pursuant to FSMA with firm reference number 648953. Its LEI number is 5493008GP6MR1MW6P432.

The AIFM has provided portfolio and risk management services to funds and investment managers since 2014. The AIFM currently provides services to funds investing across a range of asset classes, with an aggregate asset value in excess of €2.5bn. G10 is part of IQ-EQ, a leading investor services firm providing a comprehensive range of compliance, administration, asset and advisory services to investment funds, multinational companies, family offices and private clients operating worldwide.

The AIFM will provide alternative investment fund management services to the Company. The AIFM’s duties under the AIFM Agreement include complying with the Investment Policy and keeping the Company’s assets under review. The AIFM is required to provide all such portfolio and risk management services to the Company as are required by the AIFMD. The AIFM is responsible for:

- discretionary investment management of the Portfolio, having complete power to invest, realise and reinvest all funds and securities for the account of the Company, in accordance with the Investment Policy;
- analysing the performance of the Investment Adviser;
- devoting such time and having all necessary competent personnel and equipment as may be required to enable it to carry out its obligations under the AIFM Agreement properly and efficiently;

- providing risk management services as required by the AIFM Rules, including the implementation of risk management policies to identify, measure, manage and monitor the risks that the Company is or might be exposed to and ensuring that the Company's risk management policy and its implementation of the same comply with the AIFM Rules;
- assisting the Company to appoint a depositary authorised by the FCA and ensuring that the custody assets of the Company are entrusted to the Depositary or any delegate of the Depositary for safekeeping in accordance with the AIFM Rules and providing the Depositary with all information required to enable the Depositary to comply with its obligations under the AIFM Rules in respect of the Company;
- ensuring that the disclosures required to be made in respect of the Company under the AIFM

Rules are made;

- ensuring the Portfolio is valued in accordance with the AIFM Rules;
- upon written instructions from the Company, using all reasonable endeavours to satisfy the conditions set out in the AIFM Regulations (or the equivalent in the relevant EEA jurisdictions), if and to the extent required to market the Shares to EEA investors in any EEA State into which the Company intends to market;
- approving the quarterly factsheets, produced by the Investment Adviser, which will include information on the Company's performance, holdings and investment activity;
- being responsible for any records that the Company is required to maintain under FSMA and the AIFM Rules;
- providing such advice and assistance to the Board as they may reasonably request, including management and financial information;
- providing such information to the Board as it reasonably requests, and at such times and with such frequency as it shall reasonably; and
- attending investment committee approval meetings;
- attending meetings of the board quarterly or at such intervals as shall be agreed between the AIFM and the Company and preparing reports or other documents as reasonably requested by the Company in connection with such meetings.

The AIFM covers potential professional liability risks resulting from its activities as alternative investment fund manager by holding professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered, in accordance with the AIFM Rules.

The AIFM Agreement may be terminated by the Company or the AIFM giving not less than 4 months' written notice.

Either party may terminate the AIFM Agreement by written notice to the other party with immediate effect if an order shall be made or an effective resolution passed for the winding-up of the other party (save for a winding-up for the purpose of and followed by an amalgamation or reconstruction).

The Company may, in addition, terminate the AIFM Agreement by written notice with immediate effect in certain prescribed circumstances, including if: (i) the AIFM ceases to be authorised as an alternative investment fund manager by the FCA; (ii) the AIFM fails to notify the Company of any investigations by the FCA; or (iii) if the AIFM causes the Ordinary Shares to be suspended from trading on the Main Market and the suspension of trading is not lifted or the Ordinary Shares are not admitted to trading on another regulated market within 3 months of the date of that suspension.

For the provision of alternative investment fund management services under the AIFM Agreement, the AIFM is entitled to receive a fixed monthly fee of £5,000, exclusive of VAT. The Company will also reimburse the AIFM for reasonable expenses properly incurred by the AIFM in the performance of its obligations under the AIFM Agreement.

## 5.2 Investment Advisory Agreement

Under the Investment Advisory Agreement, the AIFM and the Company have appointed Victory Hill as investment adviser to the Company and the AIFM. Victory Hill is an Appointed Representative of the AIFM. Victory Hill is a limited liability partnership and was incorporated on 25 August 2020 with registration number OC433119 in England and Wales with unlimited life under the Limited Liability Partnership Act 2000. Its LEI number is 213800RFHAOF372UU580.

Under the terms of the Investment Advisory Agreement, the Investment Adviser will (i) seek out and evaluate investment opportunities (ii) recommend the manner in which investments should be made, retained and realised; (iii) advise the Company and the AIFM in relation to acquisitions and disposals of assets; (iv) provide asset valuations to assist the Administrator in the calculation of the semi-annual Net Asset Value; and (v) provide operational, monitoring and asset management services. The AIFM has appointed the Investment Adviser for an initial period of five years, and may be terminated on giving 12 months' notice from the fourth anniversary of Initial Admission (or on immediate notice in certain, usual, circumstances).

## 6. Victory Hill

### 6.1 Overview

The VH Group is based in London and was founded in May 2020 by an experienced team of energy financiers (the “**Team**”) that have spun-out of a large established global project finance banking group. The Team has an established track record built over 5 years while working together and participating in over \$37.1bn in sustainable energy project transaction values, generating over 24.2 per cent. equity returns. In addition, the Team has participated in more than \$200bn in transaction values across 91 conventional and renewable energy-related transactions in over 30 jurisdictions worldwide, throughout their individual careers. The average experience per individual is 21 years of relevant energy finance experience.

Victory Hill Capital Group LLP (“**VHCG**”) is the controlling entity within the VH Group and is entirely owned, controlled and capitalised by its five managing partners (Anthony Catachanas, Michael Egan, Lawrence Bucknell, Richard Lum and Eduardo Monteiro).

Victory Hill is the investment advisory entity of the VH Group and is 88 per cent. owned and controlled by VHCG, with additional interests in the entity owned by Victory Hill's Head of Renewable Energy, David Short and Victory Hill's Head of Business Development, Navin Chauhan.

The VH Group is focused on the delivery of performance and value creation measures for investors and its clients by identifying certain energy market dislocations, structural gaps, arbitrage opportunities and trends. The Team deploys its experience across a multitude of financial disciplines to assess investments holistically and from different perspectives. The VH Group pursues operational stability and corporate governance to generate sustainable positive returns for its investors. It focuses on supporting and accelerating the Energy Transition and the attainment of the UN Sustainable Development Goals (“**SDGs**”). Victory Hill is a signatory of the United Nations Principles for Responsible Investing (“**UN PRI**”), a signatory to the United Nations Global Compact (“**UN GC**”) and is also a supporter of the Financial Stability Board's Task-Force on Climate-related Disclosures (“**TCFD**”).

The VH Group's activities are entirely focused on energy and energy-related investments, across infrastructure and private equity investment solutions managed by a highly qualified and experienced team of energy financiers.

## 6.2 Track record\*

The key personnel at Victory Hill have participated individually in over 91 energy finance transactions across different financial disciplines spanning M&A, Corporate Finance, Project Finance and Capital Markets. The experience gathered extends across more than 25 jurisdictions around the globe, representing participations in over US\$200bn in transaction values.

Mergers & Acquisitions, Corporate Finance	42 # of transactions	\$88.8bn Total Deal Value	in over 12 jurisdictions globally / across industry / buy & sell mandates / various participants
Project Finance	38 # of transactions	\$77.6bn Total Deal Value	In over 20 jurisdictions globally / across industry / act as MLA, bookrunner & technical bank / over 80% of transactions focused on sustainable energy
Capital Markets	11 # of transactions	\$41.4bn Total Deal Value	In over 7 jurisdictions globally / rights issues, IPOs, bonds & hybrid issuance / originated, executed & placed securities
Distressed & Workout Situations	3 # of distressed deals	\$3.7bn Total Deal Value	Principal in all transactions / Disposed of distressed assets / Invested assets in stress or distress / Acquisitions through creditors in possession

The Team, while working for their previous employer, participated in over US\$37bn in sustainable energy-related total transaction values, which generated on average over 24 per cent. in levered equity IRR.

The Team have deployed capital across both conventional energy and renewable energy projects and infrastructure. The Team have experience working on both large scale, utility scale and smaller scale energy projects. They have experience working with large landmark energy transactions of public repute, as well as middle market developer-led projects across the energy value chain.

## 6.3 Key personnel of Victory Hill

The senior team members of Victory Hill responsible for providing investment advisory services to the Company are:

### ***Richard Lum – Co-Chief Investment Officer***

Richard oversees origination and asset management within the investment team. He has close to 26 years of experience in energy and natural resource banking, principally in project, corporate and structured finance. He was formerly Global Head of Energy Origination at Mizuho Bank in London. During this time, he drove the transformation of a traditionally balance sheet-led energy coverage business of the bank into an advisory-focused coverage model, involving public and private capital raising and securitisation opportunities across the energy value chain. He has been responsible for the origination of active bookrunner

\* The figures stated or shown in paragraph 7.2 are the track record of the Victory Hill team but not of the Investment Adviser or any of its affiliates. The transactions reflected are publicly available transactions which individual Victory Hill senior team members have been involved in throughout their careers. Past performance is not necessarily indicative of future results, and there can be no assurance that the Company will achieve comparable results or that the Company will be able to implement its investment strategy or achieve its investment objective.

mandates for around US\$15bn in fixed income debt issuances for energy clients. Richard has 18 years of deal-making experience in energy structured finance as advisor and arranger of financings across the energy value chain in Europe, Asia and Sub-Saharan Africa. He has a deep understanding of the energy sector having acted as advisor and debt arranger of some of the most notable non-recourse and limited-recourse transactions in the energy sector, involving global energy companies such as BP, Shell, Petronas, and Saudi-Aramco. Before Mizuho, Richard worked in the Global Energy Structured Finance Group at WestLB Markets in London, where he led deal execution on advisory and debt arranging assignments on downstream, petrochemicals, and renewables projects across Europe. Richard began his career at Standard Chartered Bank based in Kuala Lumpur and London, where he spent seven years focused on emerging markets coverage and the financing of power and infrastructure projects in the Far East, South Asia and Africa. Richard holds a Bachelor of Laws (Hons) degree from The London School of Economics and Political Science (UK).

***Eduardo Monteiro – Co-Chief Investment Officer***

Eduardo oversees origination and asset management within the investment team. Prior to Victory Hill, Eduardo built and was responsible for Mizuho Bank's Natural Resources Corporate Finance Advisory Unit of which he was acting Head for EMEA. In this role, Eduardo led and facilitated the origination of corporate bond issuance mandates for investment grade energy and natural resources (oil and gas, chemicals and mining), positioning Mizuho at top league table positions in the sector. He also significantly contributed to growing the bank's loan portfolio and profitability through origination initiatives aimed at bringing on new clients and through efforts to develop existing relationships further. Prior to this, he was a senior member of the team responsible for building the M&A advisory in chemicals and oil and gas at Société Générale. Within 3 years, the team was fully operational and growing. Eduardo led and helped execute large landmark transactions with key clients of the bank, such as Total, Sinopec and BP. Eduardo also worked at ABN AMRO/RBS in its M&A and capital structure advisory teams in Sao Paulo and London. At ABN AMRO the team achieved a top league table position in Brazil in M&A advisory, while globally, ABN AMRO was one of the leading investment banks in the energy and natural resources sector. He began his banking career at JP Morgan in Sao Paulo, Brazil, working in credit portfolio management and origination teams within the investment bank. Eduardo holds a Bachelors degree in Business Administration from the Getulio Vargas Foundation FGV (BR) and a Masters in Finance from London Business School (UK).

***Anthony (Tony) Catachanas – Chief Executive Officer***

Tony is responsible for business strategy, transaction negotiation, structuring and assisting with execution within the investment team. Before Victory Hill, Tony was responsible for business strategy and investment solutions for EMEA and led the creation and development of the real asset investment business of Asset Management One, the asset management arm of the Mizuho Financial Group. While at Mizuho, Tony was also responsible for a number of cross-divisional initiatives, straddling Mizuho Bank and Mizuho International, the group's securities arm. Tony is also a co-founder of structured credit market-making and private capital advisory boutique, Nemera Capital Group Ltd. Prior to this he was a Partner and Head of GP and LP Relations at AlphaOne Partners LLP, an energy-focused private equity boutique founded by former Goldman Sachs bankers. Tony also worked for Goldman Sachs as an Executive Director, where he was responsible for managing financial institutions and other strategic relationships with institutional investors across Europe and the US. Before Goldman Sachs, he worked in both equity and fixed income derivatives at Credit Suisse, Deutsche Bank and ABN AMRO. He began his career at the European Central Bank in Frankfurt, as a statistics research analyst. Tony holds a BA (Hons) in Management and Business Administration from Henley Business School at the University of Reading (UK), an MSc in Global Politics from the University of Southampton (UK), and an MBA from the University of Cambridge (UK). He is a member of the UK CFA Institute.

***Michael Egan – CFA, ACA, CA (SA) – Chief Financial Officer***

Michael is responsible for business strategy, group financial management as well as operation and business risk management. Prior to Victory Hill, he was responsible for the global portfolio and debt restructuring of Steinhoff International, a global vertically integrated



retail conglomerate with 40 operations in 30 different countries. Michael became caretaker group treasurer overseeing international assets during Steinhoff's restructuring, which was the largest in Europe. Before the restructuring, he led the M&A department of the organization globally. During his tenure he originated and executed joint-venture transactions, acquisitions, take private deals, equity placements, convertible bonds, DCM and syndicated loans and IPOs. Before Steinhoff International, Michael worked in the M&A department at Lehman Brothers and Nomura in London, and began his career as an international tax advisor and auditor at KPMG in South Africa. Michael holds a degree in Accounting from Stellenbosch University (South Africa), a Masters degree in International Taxation from the University of Johannesburg (South Africa) and a Masters in Finance from London Business School (UK). He has also undertaken Executive Education courses at Harvard and Columbia Universities (USA). He is a Chartered Accountant in the UK and South Africa and is a CFA charterholder and Member of the UK CFA Society.

***Lawrence Bucknell – Chief General Counsel and Chief Compliance Officer***

Lawrence is the firm's Chief General Counsel and Chief Compliance Officer. Prior to Victory Hill, Lawrence was an Executive Director in the legal department of Mizuho International in London, the securities division of the Mizuho Financial Group. His responsibilities were to provide advice across primary EU/US debt and equity capital markets, structured finance, asset finance and derivatives, as well as handling corporate legal affairs (including IP/IT, privacy, employment and litigation/regulatory and compliance matters). From 2012 to August 2020, he also acted as general counsel to Asset Management One International, the asset management arm of the Mizuho Financial Group. Prior to Mizuho, he worked at Foreign & Colonial ("**F&C**"), Henderson Global and the UK Financial Services Authority (now the Financial Conduct Authority). Prior to working at financial firms, Lawrence worked in private practice for Fladgate Fielder in London, advising clients on M&A/corporate finance transactions. He started his career as a lawyer at the New Zealand Securities Commission. Lawrence holds an LLB from Victoria University of Wellington in New Zealand and an MBA from Imperial College, London. Lawrence is admitted to practice in England and Wales, New York and New Zealand, although he does not currently practice in New Zealand.

***David Short – Head of Renewable Energy***

David is the firm's Head of Renewable Energy. Prior to Victory Hill, David was the founder and Managing Director of an independent project advisory firm Sustainable Investing Solutions (SIS) Ltd based in London. David has advised a number of independent and large development companies on renewable initiatives around the EMEA region and is a prominent industry speaker. Prior to this, David worked for Mizuho Bank's European Structured Finance Department where he was Head of Renewable Energy for the bank across EMEA. He also held a number of other roles within Mizuho initially, as with the power and advisory team, within the Bank. He also worked for IJB Leasing, an asset finance and leasing operation within Mizuho Financial Group. Before Mizuho, David worked for RBS Group in their leasing and structured finance divisions where he developed a number of solutions oriented towards smaller middle-market developers in the renewable energy sector. Over his career, David has spoken about renewable energy at numerous conferences and trade publications. He has developed a broad set of experience across numerous renewable and alternative energy technologies. David holds a degree in Management Studies from Cheltenham and Gloucester College.

***Navin Chauhan – Head of Business Development***

Navin is the firm's Head of Business Development. He is responsible for developing growth strategies and plans, as well as managing client acquisition and relationships at all levels. Prior to Victory Hill, Navin worked within the investment trust sales team at Cantor Fitzgerald where he was responsible for raising capital in both primary and secondary markets, sales trading, facing-off to listed company boards as well as other corporate broking activities. Prior to Cantor Fitzgerald, he worked for Quilter Cheviot, a UK investment management firm where he was responsible for research and portfolio management in third party fund investments across a number of sectors including infrastructure and renewable energy funds as well as private equity and listed equity funds. Prior to this, he has held similar investment roles at Bank of America Merrill Lynch and Russell Investments and began his career at Deutsche

Bank. Navin was identified as a Top 100 UK Funds Analyst by Citywire, for 5 consecutive years between 2013-2017. He holds an MSc in Investment Management from City University's Cass Business School and a BEng (Hons) in Computer Systems Engineering from City University, London (UK). He also holds the Investment Management Certificate and is a member of the UK CFA Society.

#### 6.4 Investment process

The Investment Adviser will have responsibility for sourcing, financing, asset managing and exiting investment opportunities and will make recommendations to the AIFM in relation to these activities, which the AIFM will then implement. In summary the Investment Adviser and the AIFM have agreed that the Investment Adviser will propose potential Sustainable Energy Infrastructure Investments to the AIFM, which will review such recommendations and the supporting papers in order to determine whether or not to acquire such new Sustainable Energy Infrastructure Investments.

The Investment Adviser will report to the AIFM after a letter of intent or indicative offer has been made in relation to any proposed transaction and after internal due diligence has been carried out and the AIFM, following consultation with the Board, will give instructions to the Investment Adviser as to whether to proceed to enter into further due diligence and negotiations in relation to that transaction. Once full due diligence and negotiations have been completed, the Investment Adviser will deliver reports and a recommendation to the AIFM and after performing its own evaluation, the AIFM will make the final investment decision in respect of the relevant Sustainable Energy Infrastructure Investment.

##### ***Sourcing the potential projects***

The Investment Adviser will source potential projects through its long-standing relationships with third party developers, utility companies, project owners, energy companies, energy service companies, financial intermediaries and directly from counterparties.

Each prospective investment will be assessed against the Company's investment objective and Investment Policy and, if considered potentially suitable, an initial analysis and review of the opportunity will be undertaken. Each opportunity will be scrutinised on the basis of the investment criteria outlined below.

##### ***Origination: Investment criteria***

The Investment Adviser will employ established criteria and portfolio construction guidelines in selecting investments, requiring operating history where applicable, a development track record, proprietary knowledge-proven technologies, plant, equipment and processes capable of generating recurrent cash flows.

The Company will screen potential project investments to ensure that they align with at least one of the four Investment Pathways.

In determining the allocation of investments, the Investment Adviser will have regard to the diversification and spread of risk in the Portfolio as a whole, the availability of appropriate projects for inclusion in the Portfolio, the valuations of investments suitable for the Portfolio and such other prudential factors as the Investment Adviser deems appropriate.

##### ***Due Diligence: Due diligence and execution***

Once a potential opportunity that falls within the Investment Policy has been identified and the Investment Adviser wishes to proceed with the acquisition of such project, the Investment Adviser will undertake further analysis on the project and prepare a first investment brief, setting out details of the results of the analysis, investment structure, investment rationale, risks and returns, capital expenditure budget, proposed revenue model, potential for optimisation of the existing revenue model or the site, compliance with the IFC Sustainability Framework and other comparable frameworks, compliance with the SDGs and the potential for alignment of necessary future steps required to engage into such investments and recommendations.

Based on the first investment brief, the Investment Adviser will determine whether further detailed financial, legal and technical due diligence should be carried out by the Investment

Adviser's deal team and/or third party firms and advisers, or whether to proceed with the further negotiation of deal terms with the relevant counterparties. Once the decision to proceed has been made, the Investment Adviser will carry out further business due diligence, while the appropriate financial, tax, legal, technical, sustainability and impact consultants and other due diligence process will be conducted by third party firms and/or advisers.

The Investment Adviser will also negotiate the transaction terms with relevant counterparties such as developers, operating partners, co-investors, EPC contractors, O&M contractors, advisers and revenue counterparties, where applicable.

Once the detailed due diligence process has been completed, the Investment Adviser's deal team will prepare an investment memorandum which comprises details of investment opportunity, risks and returns, investment structure based on due diligence process and final contract terms. The investment memorandum will also contain a description of the results of negotiations, environmental and social impact assessments, alignment with the relevant SDGs, as well as a financial model illustrating risk and return in a scenario and sensitivity analysis, as appropriate.

The Investment Adviser will then decide whether to submit the investment memorandum and supporting documentation to the AIFM for review, an assessment of the investment's compliance with regulatory and risk guidelines as well as the Investment Policy and a decision as to whether to make the investment. The AIFM will notify the Board of its decision prior to making an investment or selling an asset.

Where the Investment Adviser intends to acquire a project(s) from an affiliated entity (or in other circumstances where the Investment Adviser or the AIFM has a conflict of interest), the Investment Adviser will approach the AIFM and the Board at the earliest opportunity to discuss any additional diligence or comfort, such as obtaining an independent valuation or assessment of the Sustainable Energy Infrastructure Investment(s). The Investment Adviser shall not execute an acquisition of any project from another affiliate without prior Board approval.

#### ***Management: Monitoring and oversight of the Portfolio***

Prior to the execution of an investment in a project, the Investment Adviser will propose and agree the scope and frequency of the reporting requirements for such investment based on risk, availability of data and the characteristics of each investment. In all cases, the Investment Adviser will seek to acquire sufficient environmental, social and sustainability data through monthly data collection templates for each investment the Company makes.

Following the successful acquisition of an investment, the Investment Adviser will apply a post-investment monitoring process and will actively assess portfolio risk and performance – a typical investment may include execution of revenue and revenue optimization strategy, financials, operational performance, impact assessments and financial projections.

The Investment Adviser will monitor the ongoing operation of the Portfolio and each Sustainable Energy Infrastructure Investment. At project level, the Investment Adviser's deal team will work closely with third parties to monitor revenue contracts, cash flow level, periodic onsite due diligence and review financial models to assess actual return of the projects based on actual operational performance. It may also work with selected operating partners and co-investors, O&M and technical advisers to assess the ongoing environmental, social impact and continued alignment with the SDGs throughout the life of the investment.

#### ***Management: Operational management***

The Company will maintain control of SPEs (i.e. where the Company has a majority stake) through board representation and shall seek to protect its interest in third party SPEs (i.e. where the Company does not have a majority stake) through contractual arrangements with the third party SPE. The Investment Adviser will monitor receipt of contracted income, expenditure and capex and take active steps to remedy (for instance through enforcement of contracts with the counterparty, operating partner, co-investor or O&M contractors, as the case may be) and generally retain rights to step in to replace subcontractors in the event of underperformance.

The Investment Adviser's team consists of investment professionals with experience in project finance and project advisory. In some instances, the Investment Adviser may negotiate and enter into joint ventures through SPEs with certain specialised operating partners, developers and O&M contractors on behalf of the Company, to facilitate investments in projects and ensure adequate management is in place to acquire, operate and manage projects. In such circumstances, the Investment Adviser will ensure that it maintains control through board representation or, in certain circumstances, secure an interest that ensures sufficient protective rights for the Company.

***Management: Mitigating other risks***

Under the Investment Advisory Agreement, Victory Hill is responsible for advising the AIFM on investment risks to assist the AIFM in performing its investment management services to the Company. Whilst not intended to be exhaustive, a summary of the way in which Victory Hill intends to mitigate certain investment risks is set out below.

Counterparty-credit risk, being the risk of the counterparty's inability (or lack of willingness) to make the contractual payments, is mitigated through a qualitative and quantitative credit assessment and, where appropriate and where available on a cost-effective basis, through credit enhancement or parent company guarantees (or both).

Performance risk, being the risk that the project delivered does not result in the expected returns and/or income, can be mitigated through:

- performance guarantees from energy service companies, including O&M contractors and EPC contractors;
- maintaining a rigorous selectivity and qualitative risk assessment process over operating partners, developers and O&M contractors by ensuring that they have established track records, have a dedicated business strategy to grow and optimise returns for the Company and deliver institutional quality service levels;
- contractual alignment with operating partners, developers and O&M contractors with performance milestones to ensure performance is sustainable and meets the investment objectives of the Company; and
- should the operating partner's team fail to deliver performance and the goals agreed in the project plan, the Investment Adviser reserving the right to seek a replacement of the operating partner team.

Technology risk, being the risk that the sustainable energy asset used in the sustainable energy project fails, is mitigated through using commercially-proven technologies with a strong track record and equipment warranties.

Operating and maintenance risk, being the risk that the sustainable energy asset is not operated and maintained, resulting in equipment failure and financial loss, is mitigated through:

- using operating partners, developers, EPC and O&M contractors with a strong local track record;
- ensuring that the O&M contract matches the life of the performance guarantee, with operational failure covered by the performance guarantee; and
- ensuring that the inability of the counterparty company to meet the terms of the O&M contract, is covered under the terms of the energy service agreement and may result in termination.

Asset management risk, being the risk of a failure in performance of the operating partner, developer and O&M contractor in generating earnings at levels expected or in-line with the Company's mandate, can be mitigated through:

- ensuring that operating partner, developer and O&M contractor selection is based on selection criteria based on the relevant entity's team track records, business strategy, budgetary plan and ability to perform at institutional levels of performance;

- ensuring that the asset selection caters for sufficient differentiation from competition in order to prevent crowding and return erosion over the life of the investment; and
- where relevant, ensuring that the project can be optimised in order to align with the Investment Policy and ensuring alignment with the SDGs and environmental and social impact expectations.

Market risk, being the risk of exposure to fluctuating commodity prices which may impact the ability of the project to achieve expected returns, can be mitigated through:

- entering into various hedging arrangements;
- entering into extendable short, medium term and long-term contracts;
- entering into fixed price, or availability-based asset-level commercial contracts; and
- ensuring that market risk is always combined with non-market risk exposures.

Feedstock risk, being the risk that the availability of feedstock drops (or the price of feedstock rises), adversely affecting the project's financial performance, can be mitigated through:

- ensuring that the counterparty will have adequate supply arrangements in place, where feedstock is required;
- where it is not suitable for the counterparty to source the supply of feedstock, ensuring that the Investment Adviser contracts with established suppliers with a local presence and strong credit; and
- in case of any shortage in supply, ensuring that any feedstock supply contracts provide for pre-determined payments (liquidated damages') to be payable by the supplier.

Currency risk, being the risk that non-Sterling Sustainable Energy Infrastructure Investments are negatively impacted by movements in the local currency post-deployment versus Sterling, thereby affecting dividends and rates of investment returns of a Sustainable Energy Infrastructure Investment. These risks are mitigated by:

- in all non-Sterling investments, the Company will calculate a currency risk premium, which is incorporated into the investment evaluation process. This premium is based on a long-term historical series, thereby creating a cushion to absorb against fundamental currency shocks and maintain targeted investment returns in Sterling; and
- a six-month hedging programme to absorb short-term volatility in currency movements on project cashflows and dividends.

### ***Exiting investments***

The Company intends to hold each Sustainable Energy Infrastructure Investment until the end of its life. However, the Company may choose to sell its interest in a Sustainable Energy Infrastructure Investment before the end of its project life if there is an attractive offer from a buyer where the valuation is equal to or higher than the net asset value of the specific asset, or to use the proceeds to fund an attractive future investment opportunity, or in order to make a distribution to Shareholders in accordance with the Company's dividend policy.

## **7. Directors**

The Directors, all of whom are non-executive and all of whom are independent of Victory Hill and the AIFM, are responsible for the determination of the investment policy of the Company and the supervision of the implementation of such policy. The Board currently consists of:

### ***Bernard J Bulkin, PhD, OBE – (Chair and Independent Non-executive Director) (age 78)***

Bernard spent the first 18 years of his career as an academic scientist, teacher and leader at various New York universities. For his research he received the Coblenz Award, the Society of Applied Spectroscopy Gold Medal, the Sigma Xi Distinguished Research Citation, and the Oscar Foster Award in Chemical Education. In his second career, he spent another 18 years in a variety of industrial management and research positions with BP, including Head of the Products Division, Vice President for Refining, Chief Technology Officer for BP Oil, Vice President Environmental



Affairs, and eventually as its Chief Scientist. After leaving BP in January 2004, Bernie has been a venture capitalist with California firm Vantage Point and London firm Ludgate Investments Ltd, he has been on the board of over 11 companies, chairing two UK public companies and currently serves as a non-executive director of ATN International and ARQ, Ltd. He has also held several posts with the UK Government including Chair of The Office of Renewable Energy and Commissioner for Energy and Transport of the UK Sustainable Development Commission.

In addition to his career in the energy and financial industries, Bernard has held numerous positions with top educational and charitable organisations. He is Emeritus Professorial Fellow of Murray Edwards College, University of Cambridge and is a Vice President of the Energy Institute. Bernard holds a degree in Chemistry from the Polytechnic Institute of Brooklyn, a Ph.D. in Physical Chemistry from Purdue University, NSF Postdoctoral Fellow, Eidg. Techn. Hochschule in Zurich. He was also a Professor at the City University of New York, Professor and Dean of Arts and Sciences at the Polytechnic Institute of New York and an Honorary Professor at the University of York in the United Kingdom.

His radio programs, Environment on the Edge, were heard on Voice America, he has contributed regularly to Huffington Post, and he is the author of the 2015 book on leadership, Crash Course and of Solving Chemistry, published in 2019. He was made an Officer of the Order of the British Empire by the Queen in the New Year Honours list 2017.

***Margaret Stephens – (Audit Committee Chair and Independent Non-executive Director) (age 59)***

Margaret is currently a Trustee, Director and Chair of the Audit Committee of the Nuclear Liability Fund Limited, as well as a Non-Executive Board Member of AVI Japan Opportunity Trust plc, and Member of the Advisory Committee and the Procurement and Taxation Working Groups for The Infrastructure Forum. Margaret brings with her a significant amount of executive experience from her over 28 years of professional service with KPMG, 16 years as a Partner. She held senior UK and Global roles, including UK Head of Tax for Infrastructure, Government and Health, EMEA tax head for infrastructure, Global Head of Infrastructure Tax and she had a leading role in the creation of KPMG's Global Infrastructure Practice. Margaret was also the Founder and Chair of KPMG's Global Sovereign Wealth, Pensions and Infrastructure Funds Group. In this capacity, she led KPMG's relationships with major global government investment and pension funds, and facilitated consultation with OECD and National Governments on international tax reform.

Margaret was a Board Trustee of the London School of Architecture until April 2020 and a Non-Executive Board Member and Chair of the Audit Committee at the Department for Exiting the European Union until its closure in January 2020. Margaret holds an MA (Hons) in History from the University of Edinburgh, a Diploma in Accounting from Heriot Watt University and is a qualified Member of the Institute of Chartered Accountants of Scotland.

***Richard Horlick – (Independent Non-executive Director) (age 61)***

Richard Horlick is currently the non-executive chairman of CCLA Investment Management Limited, which manages over £10bn of assets for over 38,000 charities, religious organisations and local authority funds; and a board member of BH Macro, a Guernsey based closed end fund investing in the Brevan Howard Master Fund. He has served on a number of closed end fund boards, most recently Pacific Assets Trusts Plc from December 2005 until June 2014 and Tau Capital Plc from May 2007 to January 2014. He was a partner and non-executive chairman of Pensato Capital LLP until its successful sale to RWC Partners in 2017.

Richard has had a long and distinguished career in investment management graduating from Cambridge University in 1980 with an MA in Modern History. After three years in the corporate finance department of Samuel Montagu he joined Newton Investment Management in January 1984 where he became a Director and portfolio manager. In 1994 he joined Fidelity International as President of their institutional business outside the US and in 2001 became President and CEO of Fidelity Management Trust Company in Boston which was the Trust Bank for the US Fidelity mutual fund range and responsible for their defined benefit pension business. In 2003 he joined Schroders Plc as a main board director and head of investment worldwide. In January 2006 he established Spencer House Capital Management with Lord Jacob Rothschild. In addition, he has been a business angel investing in a wide range of private companies.

**Louise Kingham, OBE – (Independent Non-executive Director) (age 49)**

Louise has over 27 years' experience in the energy industry with more than 20 of those as a serving Chief Executive, leading professional and scientific organisations established in the public interest. She is the current Chief Executive of the Energy Institute and has been since her appointment in 2003. Louise is a current board member of the Energy Saving Trust and Chair of its charitable foundation. Louise also volunteers her time as a board member of the POWERful Women Initiative and the Energy Industries Club. She is former Director General of the Institute of Petroleum and Chief Executive of the Institute of Energy. She has previously been President of the Energy Industries Club, advisory member of the Energy Policy Board at the University of Birmingham, judge for HM Queen's Prize for Higher and Further Education and Council Member of the All-Party Parliamentary Group for Energy Studies.

Louise was made an officer of the Order of the British Empire by the Queen in the Queen's birthday list 2011 for services to energy and in 2017 she was awarded an Honorary Science Doctorate from the University of Bath.

The Directors have taken all reasonable care to ensure that the facts stated in this Prospectus are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

## **8. Administrator and Company Secretary**

Apex Fund and Corporate Services (UK) Limited is a private limited company incorporated on 8 December 2005 with registered number 5648495 in England and Wales with unlimited life under the Act.

Apex Fund and Corporate Services (UK) Limited has been appointed as the administrator and company secretary of the Company. The Administrator will provide the day to day administration services to the Company and will be responsible for the calculation of the Net Asset Value and maintenance of the Company's accounting records.

The company secretarial services to be provided by the Administrator will include overseeing production of the Company's annual and half-yearly reports, assisting with regulatory compliance and providing support to the Board's corporate governance process and its continuing compliance under the Listing Rules and the Disclosure Guidance and Transparency Rules. In addition, the Administrator will be responsible for liaising with the Company and its other service providers in relation to the payment of any dividends, as well as general company secretarial functions required by the Act (including but not limited to the maintenance of the Company's statutory books).

Details of the Administration Agreement are set out in paragraph 8.1 of Part 12 (*General Information*) of this Prospectus.

## **9. Depositary**

Apex Depositary (UK) Limited has been appointed as Depositary for the Company under the Depositary Agreement, a summary of which is set out in paragraph 8.3 of Part 12 (*General Information*) of this Prospectus. The Depositary is a private limited company incorporated on 25 October 2013 with registered number 8749704 in England and Wales with unlimited life under the Act. The Depositary is authorised and regulated by the FCA under FSMA with firm number 610203.

## **10. Registrar**

Computershare Investor Services PLC, as Registrar, is responsible for the maintenance of the register of members and for the transfer and settlement of Ordinary Shares and/or C Shares as applicable.

Details of the Registrar Agreement are set out in paragraph 8.5 of Part 12 (*General Information*) of this Prospectus.

## **11. Fees and Expenses**

### **11.1 Formation and initial expenses**

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company which are necessary for the incorporation of the Company, the Initial Issue and Initial Admission. These expenses include the fees and commissions payable under the Issue Agreement, Receiving Agent's fees, listing and admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Initial Admission out of the Gross Proceeds of the Initial Issue.

The Issue Expenses are not expected to exceed 2 per cent. of the Gross Proceeds, equivalent to £7,500,000 (inclusive of any irrecoverable VAT) assuming the Initial Issue is fully subscribed. The costs will be deducted from the Gross Proceeds. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. Assuming that the Initial Issue is fully subscribed, and the expenses of the Initial Issue are £7,500,000, the Net Proceeds will be £392,500,000 (inclusive of any irrecoverable VAT).

### **11.2 Ongoing annual expenses**

The Company will also incur ongoing annual expenses which will include fees paid to the AIFM, Victory Hill and other service providers as described above in addition to other expenses which are currently expected to amount to 1.4 per cent. of Net Asset Value per annum (excluding all costs associated with making and realising investments) assuming a Net Asset Value on Initial Admission of £392,500,000.

## **12. Governing law**

The agreement between Shareholders and the Company for the acquisition of Shares under the Initial Issue and for the acquisition of New Ordinary Shares and/or C Shares under the Placing Programme is governed by English law and, by purchasing Shares, Shareholders agree that the courts of England have exclusive jurisdiction to settle any disputes. All communications in connection with the purchase of Shares will be in English.

## **13. Capital structure**

### **13.1 Share capital and duration**

The Company's share capital structure immediately following the Initial Issue will consist of Ordinary Shares. The Ordinary Shares will be in registered form and may be held in certificated or in uncertificated form.

The Company may issue further New Ordinary Shares and/or C Shares pursuant to the Placing Programme. Details of the Placing Programme, including the circumstances in which New Ordinary Shares and C Shares may be issued are set out in Part 10 (*Placing Programme*) of this Prospectus.

The Company does not have a fixed winding-up date. As described below under paragraph 14.3 of this Part 7 (*The Company*), the Articles provide Shareholders with an opportunity to vote on the continuation of the Company at five yearly intervals.

### **13.2 Further issues of Shares**

Under the Articles further issues of Shares, of whatever class, for cash will be subject to pre-emption rights conferred on existing Shareholders, save to the extent these rights have been disapplied by a special resolution of the Company. The Directors currently have authority to issue further Shares on a non pre-emptive basis, provided that (a) the number of Ordinary Shares (including New Ordinary Shares) and C Shares issued pursuant to the Initial Issue and Placing Programme may not exceed 600 million Shares in aggregate and (b) further Ordinary Shares will only be issued at prices representing not less than their prevailing NAV per Ordinary Share. The current authority will extend until the date of the fifth AGM expected to be held in April 2026. To the extent that the authority is used in full before the end of such period, the Company may convene a general meeting to refresh the authority, or it may refresh the authority at an annual general meeting. Shareholders' pre-emption rights over this unissued share capital have been disapplied for such five year period so that the Directors

will have the flexibility to grow the Company without being obliged to offer new Shares to Shareholders *pro rata* to their existing holdings.

It is intended that any Ordinary Shares issued pursuant to the Placing Programme will be allocated so that applications from existing eligible Shareholders are given priority over other applicants, with a view to existing eligible Shareholders being allocated such percentage of Ordinary Shares as is as close as possible to their existing percentage holding of Ordinary Shares. Shareholders will be eligible if they meet the terms and conditions of the Placing Programme as set out Part 13 (*Terms and Conditions of Application Under the Initial Placing and the Placing Programme*) of the Prospectus. Shareholders will not, however, be entitled to any minimum allocation of new Ordinary Shares in any Subsequent Placing and there will be no guarantee that Shareholders wishing to participate in the Placing Programme will receive all or some of the Ordinary Shares for which they have applied.

Further details of the Placing Programme and the Directors' intentions concerning the issue of New Ordinary Shares and/or C Shares under the Placing Programme are set out in Part 10 (*Placing Programme*) of this Prospectus.

The proceeds of the issue of Ordinary Shares and/or C Shares will be used in accordance with the Company's investment objective and policy, as described in paragraphs 2 and 3 of this Part 7 (*The Company*).

The Directors only intend to use their authority to issue New Ordinary Shares under the Placing Programme in the event that the Ordinary Shares trade at a premium to Net Asset Value and, consequently, the authority may be used in order to reduce any premium over NAV at which the Shares may be trading or to raise additional capital for investment in accordance with the Investment Policy. As a consequence further issues of Ordinary Shares will be made under the Placing Programme, entirely at the Directors' discretion in respect of an aggregate number of New Ordinary Shares equal to 600 million, less any Ordinary Shares issued under the Initial Issue or C Shares issued under the Placing Programme, and only at prices (net of issue costs) that represent a premium to the last published cum income Net Asset Value per Ordinary Share (other than any Ordinary Shares held in treasury) and, therefore will not have a dilutive effect on the NAV of the Ordinary Shares then in issue.

The Directors currently intend to seek annual renewal of the authority to issue Ordinary Shares and/or C Shares on a non-pre-emptive basis from Shareholders in respect of an aggregate number of Ordinary Shares and/or C Shares equal to up to 20 per cent. of Shares or such other number as the Shareholders at a General Meeting shall approve.

New Ordinary Shares and C Shares issued under the Placing Programme may be issued under this Prospectus provided that it is updated by a supplementary prospectus (if required) under section 87G of FSMA. The Prospectus Regulation Rules currently allow for the issue of shares representing, over a period of twelve months less than 20 per cent. of the number of shares of the same class already admitted to trading on the same regulated market without the requirement for a prospectus to be published, provided that such issue is not made by way of an offer of the Company's securities to the public. Should the Board wish to issue New Ordinary Shares or C Shares in excess of the amount which it is authorised to allot, further authorities will be sought at an appropriate time by convening a General Meeting for this purpose.

## **14. Discount management**

### **14.1 Share buybacks**

The Directors have the authority to purchase in the market up to 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following Initial Admission at prices which represent a discount to the prevailing NAV per Ordinary Share of that class so as to enhance the NAV per Ordinary Share for the remaining holders of Ordinary Shares of the same class. This authority will expire at the conclusion of the Company's first AGM or, if earlier, 18 months from the date on which the resolution conferring the authority was passed. The Directors intend to seek annual renewal of this authority from Shareholders, once their existing authority has expired or at each AGM. Whether the Company purchases any such Shares, and the timing and the price paid on any such purchase, will be at the discretion of

the Directors, subject to compliance with the Act, the Listing Rules and the Disclosure Guidance and Transparency Rules.

If, in any rolling 3-month period, the Ordinary Shares have, on average, traded at a discount in excess of 5 per cent. to the Net Asset Value per Ordinary Share (calculated as at such month end by comparing the middle market quotation of the Ordinary Shares on the last London Stock Exchange trading day of each month in the relevant period to the prevailing published Net Asset Value per Ordinary Share (cum income, but exclusive of any dividend declared once the ex-dividend date has passed) and averaging this comparative figure over the relevant period), the Company intends to use 50 per cent. of net cashflows to repurchase Ordinary Shares, subject always to the impact that such repurchase may have on the ability of the Company to meet its Target Total Return (which includes the target dividend) or other economic factors that the Board consider it prudent to take into account at the relevant time.

#### 14.2 Treasury shares

Shares which have been acquired by the Company by way of market purchase or tender offer may be cancelled or held in treasury. It is the current intention of the Directors to hold any Shares which have been acquired by way of market purchase or tender offer in treasury. Any purchase of Shares may be satisfied by available cash or cash equivalent resources of the Company, from borrowings, the realisation of the Company's assets or any combination of those sources of liquidity, at the Directors' discretion. Shares held in treasury may be sold by the Company at prices equal to or above the prevailing Net Asset Value per Ordinary Share.

At the date of this Prospectus, the Company does not hold any Shares in treasury.

#### 14.3 Continuation Votes

Shareholders will have the opportunity to vote on the continuation of the Company at the AGM of the Company to be held in 2026, and every fifth AGM thereafter, and otherwise if 75 per cent. of the Net Proceeds have not been invested or contractually committed to investments within 12 months of the date of Initial Admission. If any such ordinary resolution is not passed, the Directors shall draw up proposals for the voluntary liquidation, unitisation, reorganisation or reconstruction of the Company for consideration by the Shareholders at a General Meeting to be convened by the Directors for a date not more than 6 months after the date of the meeting at which such ordinary resolution was not passed.

### 15. Dividend policy

The Board expects that distribution of dividends and interest will constitute the principal element of the return to the holders of Ordinary Shares. On the basis of market conditions as at the date of this Prospectus the Company will target a minimum dividend payment of not less than 1p in respect of the financial year ending 31 December 2021 and dividend payments of 5p per Ordinary Share on an annualised basis in respect of the financial year ending 31 December 2022. The Board intends to adopt a progressive distribution policy thereafter.\* Subject to market conditions and the level of the Company's net income, it is intended that a sole interim dividend will be declared in the first quarter of 2022 for the period running from incorporation to 31 December 2021 and thereafter it is intended that dividends on the Shares will be payable quarterly, all in the form of interim dividends (the Company does not intend to pay any final dividends). Subject to satisfying the requirements for investment trust status, the Board reserves the right to retain within a revenue reserve a proportion of the Company's net income in any financial year, such reserve then being available at the Board's absolute discretion for subsequent distribution to Shareholders, subject to the requirements of the IT Regulations. The dividend policy will be subject to an annual vote at each AGM. In order to increase the distributable reserves available to facilitate the payment of future dividends and for share repurchases, the Company has resolved that, conditional upon Admission and the redemption of the Management Shares, the amount standing to the credit of the share premium account of the Company immediately following completion of the Issue be cancelled. The Company may, at the

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\* This is a target and is based on current market conditions as at the date of this Prospectus only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any distributions at all. This target return should not be taken as an indication of the Company's expected or actual current or future results. The Company's actual return will depend upon a number of factors, including but not limited to the size of the Issue, the Company's net income and the Company's ongoing charges figure. Potential investors should decide for themselves whether or not the return is reasonable and achievable in deciding whether to invest in the Company. See further under the section "Risk Factors".



discretion of the Board, and to the extent possible, pay all or part of any future dividend out of capital reserves.

The Company may offer with the prior authority of Shareholders and subject to such terms and conditions as the Board may determine, Shareholders (excluding any holder of treasury shares) the opportunity to elect to receive Ordinary Shares, credited as fully paid, instead of the whole, or some part, of any dividend. The ability to issue Ordinary Shares in lieu of cash would provide the Company with the flexibility to retain cash where to do so would benefit the Company.

Distributions made by the Company may either take the form of dividend income, or of “qualifying interest income” which may be designated as interest distributions for UK tax purposes. It is expected that a significant proportion of the Company’s distributions will take the form of qualifying interest income. Prospective investors should note that the UK tax treatment of the Company’s distributions may vary for a Shareholder depending upon the classification of such distributions.

**Prospective investors who are unsure about the tax treatment that will apply in respect of any distributions made by the Company should consult their own tax advisers.**

## **16. Corporate governance**

### **16.1 Compliance**

The Board is committed to high standards of corporate governance and intends to obtain membership of the AIC following Initial Admission and as such, intends to comply with the AIC Code or as otherwise may be disclosed from time to time. The AIC Code addresses all the principles set out in the Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to listed investment companies. By reporting against the AIC Code the Company meets its obligations in relation to the Corporate Governance Code.

The AIC Code is available on the AIC’s website, [www.theaic.co.uk](http://www.theaic.co.uk). The Corporate Governance Code is available on the Financial Reporting Council’s website, [www.frc.org.uk](http://www.frc.org.uk).

### **16.2 Internal audit**

As the Company delegates to third parties its day-to-day operations and has no employees, the Board has determined that there are no requirements for an internal audit function. The Board will review annually whether a function equivalent to an internal audit is needed and it intends to monitor its systems of internal controls in order to provide assurance that they operate as intended.

### **16.3 Board independence, composition and tenure**

The Board currently consists of 4 non-executive Directors. It is chaired by Bernard Bulkin OBE who is responsible for its leadership and for ensuring its effectiveness in all aspects of its role. The Board will meet at least four times a year and will receive full information about the Company’s investment performance, assets, liabilities and other relevant information in advance of Board meetings. The Directors’ biographical details, set out in paragraph 7 of this Part 7 (*The Company*), demonstrate a breadth of investment, commercial and professional experience. The Directors will review their independence annually.

Directors’ shall stand for election by shareholders at the first AGM after their appointment, and at every AGM thereafter.

The Chair will regularly review the training and development needs of each Director. Any Director may resign in writing to the Board at any time.

The Board will also receive regular briefings from, amongst others, the Company’s auditor regarding any proposed developments or changes in laws or regulations that could affect the Company and/or the Directors.

### **16.4 Audit Committee**

The Audit Committee will meet at least twice per year. It comprises Margaret Stephens, Richard Horlick and Louise Kingham and is chaired by Margaret Stephens. The Audit Committee is responsible for the review of the annual report and the half year report, the nature and scope of the external audit and the findings therefrom, and the terms of appointment of the auditors, including their remuneration, independence and the provision of



any non-audit services by them. The Audit Committee will review the need for non-audit services and authorise such on a case by case basis.

The Audit Committee will meet representatives of the Administrator, the AIFM, Victory Hill and their compliance officers, as appropriate, who will report as to the proper conduct of business in accordance with the regulatory environment in which the Company and those service providers operate. The Company's auditor will also attend the Audit Committee at its request and report on its work procedures, the quality and effectiveness of the Company's accounting records and its findings in relation to the Company's statutory audit. The Company will meet with the auditor, without representatives of the Administrator, the AIFM, or Victory Hill being present, at least once a year.

#### 16.5 Management Engagement Committee

The Management Engagement Committee will meet at least once per year. It comprises Richard Horlick, Louise Kingham and Bernard Bulkin and is chaired by Richard Horlick. The Management Engagement Committee is responsible for the regular review of the terms of the AIFM Agreement, the Investment Advisory Agreement, the Administration Agreement, the Depositary Agreement and other service providers' agreements and the performance of the AIFM, Victory Hill, the Administrator and the Depositary and also the Company's other service providers.

#### 16.6 Nomination Committee

The Company's Nomination Committee consists of all of the Directors and is chaired by Bernard Bulkin. The Nomination Committee will meet at least once a year or more often if required. Its principal duties will be to advise the Board on succession planning bearing in mind the balance of skills, diversity, knowledge and experience existing on the Board and will make recommendations to the Board in this regard. The Nomination Committee advises the Board on its balance of relevant skills, experience, gender, race, ages and length of service of the Directors serving on the Board. All appointments to the Board will be made in a formal and transparent manner.

#### 16.7 Remuneration Committee

The Company's Remuneration Committee consists of all of the Directors and is chaired by Bernard Bulkin. The Remuneration Committee will meet at least once a year or more often if required. The Remuneration Committee's main functions include: (i) agreeing the policy for the remuneration of the Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering ad hoc payments to the Directors in relation to duties undertaken over and above normal business; and (iii) appointing independent professional remuneration advisors.

#### 16.8 Policy on Directors' fees

The aggregate fees of the Directors will not exceed £500,000 per annum. There are no performance conditions attaching to the remuneration of the Directors as the Board does not believe that this is appropriate for non-executive directors. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

#### 16.9 Directors' letters of appointment

It is the Board's policy that none of the Directors has a service contract. The terms of the Directors' appointment provide that they will retire and be subject to election at the first AGM after their appointment and at every AGM thereafter. Those terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office.

### 17. Profile of typical investors

The typical investors for whom the Shares are intended are institutional investors, professional investors and professionally advised private investors. The Shares may also be suitable for investors who are financially sophisticated, and non-advised private investors who are capable themselves of evaluating the merits and risks of an investment in the Company and who have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment. Such investors may wish to consult an independent financial adviser prior to investing in the Shares.

## **18. Non-mainstream pooled investment products**

The Company intends to conduct its affairs so that its Shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products ("**NMPI**") because they are shares in an investment trust.

FCA Policy Statement 17/14 indicates that the Shares may be deemed "non-complex" for the purposes of MiFID II where they meet the requirements of Article 57 of the MiFID II delegated regulation of 25 April 2016. The Directors consider that the requirements will be met in relation to the Shares and that accordingly, the Shares should be considered "non-complex" for the purposes of MiFID II.

## **19. Taxation**

A summary of certain limited aspects of UK taxation applicable to the Company and Shareholders is contained in Part 11 (*UK Tax*) of this Prospectus. If any potential investor is in any doubt about the tax consequences of his/her acquiring, holding, disposing or conversion of Shares, he/she should seek advice from his/her own independent professional advisers.

## **20. Financial information**

### **20.1 Financial reports**

The audited annual financial statements of the Company will be drawn up in pounds Sterling and prepared in accordance with IFRS as adopted by the EU. Financial statements prepared by the Company in accordance with IFRS as adopted by the EU will include a statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows, related notes and any additional information that the Board deems appropriate or that is required by applicable law.

The Company's annual report and financial statements will be prepared up to 31 December each year and it is expected that copies will be sent to Shareholders within three months of the year-end. The Company's annual accounting reference date is 31 December and the Company's first accounting period will end on 31 December 2021. The first AGM following Admission is expected to be held in April 2022.

Shareholders will also receive an unaudited half year report covering the six months to 30 June each year which is expected to be despatched within three months of that date. The Company's first unaudited half year report will cover the period running from the Company's incorporation to 30 June 2021.

Information on performance, holdings and investment activity will be prepared and published on a quarterly basis by the Investment Adviser in the form of a factsheet to be made available on the Website.

In accordance with the AIFM Rules, the AIFM will ensure that the following information in relation to the Portfolio is published in the Company's annual report and audited accounts:

- (a) the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature;
- (b) any new arrangements for managing the liquidity of the Company;
- (c) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks;
- (d) any changes to the maximum level of leverage which the AIFM may employ on behalf of the Company as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement. The Company will, in addition, notify Shareholders of any such changes, rights or guarantees without undue delay by issuing an announcement via an RIS; and
- (e) the total amount of leverage employed by the Company.

## 20.2 Annual running expenses

In addition to management, advisory, administration and secretarial fees referred to in Part 12 (*General Information*) of this Prospectus, the Company will pay all other fees and expenses incurred in the operation of its business including, without limitation:

- (a) Directors' fees and expenses;
- (b) fees and expenses for the depositary, custodian, valuer, registrar, corporate broker, legal, auditing and other professional services;
- (c) any borrowing costs;
- (d) the ongoing costs of maintaining the listing of the Ordinary Shares and the C Shares (where relevant) on the premium segment of the Official List and their continued admission to trading on the Main Market;
- (e) NAV publication costs;
- (f) directors and officers insurance premiums;
- (g) promotional expenses (including membership of any industry bodies, including the AIC and marketing initiatives approved by the Board); and
- (h) costs of printing the Company's annual and interim reports and posting them to Shareholders.

Assuming that the Initial Issue is fully subscribed, the Company's total fixed operational costs (excluding management fees, brokerage and other transaction charges and taxes and any borrowing costs) are estimated in the first year after Initial Admission to amount to not more than approximately 1.4 per cent. per annum of the Company's estimated prevailing Net Asset Value on Initial Admission.

Shareholders do not bear any fees, charges and expenses directly, other than any fees, charges and expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling Shares.

## 20.3 Allocation of ongoing costs

Interest expenses will be recognised within "finance costs" in the Statements of Comprehensive Income using the effective interest rate method. All other expenses will be recognised in the Statement of Comprehensive Income in the period in which they are incurred (on an accruals basis).

## 20.4 NAV calculations and valuation policy

The Administrator is responsible for calculating the NAV which will be presented to the AIFM and the Directors for their approval and adoption. The calculations will be carried out on a quarterly basis as at 31 March, 30 June, 30 September and 31 December each year and the valuation of the Company's investments will be based on valuations provided by the Investment Adviser or by an Independent Valuer if one is appointed by the Board. The NAV per Ordinary Share will be notified to Shareholders through a Regulatory Information Service as soon as practicable following the relevant period end.

The NAV calculation will incorporate the fair value of the Company's investments in Sustainable Energy Infrastructure Investments calculated by the Investment Adviser in accordance with the International Private Equity and Venture Capital Valuation Guidelines and applicable accounting standards.

Fair value for each investment is calculated by the Investment Adviser. Fair value for operational Sustainable Energy Infrastructure Investments will typically be derived from a discounted cash flow ("DCF") methodology and the results will be benchmarked against appropriate multiples and key performance indicators, where available for the relevant sector/industry. For Sustainable Energy Infrastructure Investments that are not yet operational at the time of valuation, the price of recent investment may be used as an appropriate estimate of fair value initially, but it is likely that a DCF will provide a better estimate of fair value as the asset moves closer to operation.

In a DCF analysis the Fair Value is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues, operating costs, macro-level factors and an appropriate discount rate. The AIFM and Victory Hill will exercise their judgement in assessing the discount rate for each investment. This will be based on knowledge of the market, taking into account market intelligence gained from bidding activities, discussions with financial advisers, consultants, accountants and lawyers and publicly available information.

A range of sources will be reviewed in determining the underlying assumptions used in calculating the fair market valuation of each Sustainable Energy Infrastructure Investment, including but not limited to:

- (a) macroeconomic projections adopted by the market as disclosed in publicly available resources;
- (b) macroeconomic forecasts provided by expert third party economic advisers;
- (c) discount rates publicly disclosed by the Company's global peers;
- (d) discount rates applicable to comparable infrastructure asset classes, which may be procured from public sources or independent third party expert advisers;
- (e) discount rates publicly disclosed for comparable market transactions of similar assets; and
- (f) capital asset pricing model outputs and implied risk premia over relevant risk free rates.

Where available, assumptions will be based on observable market and technical data. For other assumptions, the Investment Adviser may engage independent technical experts such as electricity price consultants to provide long-term forecasts for use in its valuations.

Any value expressed other than in Sterling (the functional reporting currency of the Company) (whether of an investment or cash) will be converted into Sterling at the rate (whether official or otherwise) which the Investment Adviser deems appropriate in the circumstances.

The Board reviews the operating and financial assumptions, including the discount rates, used in the valuation of the Company's underlying portfolio and approves them based on the recommendation of the AIFM and Victory Hill. As part of the annual audit, the Auditor reviews the valuation model used by Victory Hill, including the discount rate.

The Board may determine that the Company shall temporarily suspend the determination of the Net Asset Value per Ordinary Share when the prices of any investments owned by the Company cannot be promptly or accurately ascertained. However, in view of the nature of the Company's investments, the Board does not envisage any circumstances in which valuations will be suspended. Any suspension in the calculation of the Net Asset Value will be notified to Shareholders through a Regulatory Information Service as soon as practicable after such suspension occurs.

The Company may delay public disclosure of the Net Asset Value to avoid prejudice to its legitimate interests, provided that such delay would not be likely to mislead the public and the Company has put in place appropriate measures to ensure confidentiality of that information.

## **21. Liquidity management policy**

The Company is a closed-ended investment fund investing in illiquid assets. The AIFM maintains a liquidity risk management system in accordance with the AIFM Rules in respect of the Company and the Shares.

Shareholders have no right to redeem their Shares from the Company but may trade their Shares on the secondary market. However, there is no guarantee that there will be a liquid market in the Shares.

## **22. Conflicts of interest**

The AIFM, Victory Hill, the Administrator, the Registrar, Numis and any of their members, directors, officers and employees may be involved in other investment activities that may on occasion give

rise to conflicts of interest between the duties carried out by them on behalf of the Company and their private interest or other duties. In particular, the AIFM and Victory Hill either does or intends to provide investment management, investment advice or other services in relation to a number of other companies, funds or accounts that may have similar investment objectives and/or policies, to that of the Company and may receive *ad valorem* and/or performance-related fees for doing so.

The AIFM and Victory Hill are committed to identifying, monitoring and managing all actual and potential conflicts of interest that can arise, and have a conflicts of interest policy which covers the fair management and resolution of such situations should they arise and which is reviewed on at least an annual basis.

For example, the AIFM and Victory Hill may have conflicts of interest in allocating investments among the Company and other clients and in effecting transactions between the Company and other clients. In instances where the AIFM chooses to aggregate the Company's investment with other investments from other clients as well as the Company, the AIFM will allocate investments fairly to all clients in accordance with applicable rules and applicable fair allocation policies. Furthermore, the AIFM will not aggregate an investment if it is likely to work to the disadvantage of any of its clients involved. Allocations will be made on the basis of the investment objectives of the AIFM's clients, as applicable, including the Company in each case. As of the date of this Prospectus, Victory Hill does not have any other such clients. However, should this position change in the future, Victory Hill will ensure that the obligations of the AIFM in this paragraph are also applied by Victory Hill when it allocates or recommends investments to the Company and any other clients.

The AIFM and Victory Hill may give advice or take action with respect to such other clients that differs from the advice given or actions taken with respect to the Company. The AIFM will ensure that transactions effected by it or an associate in which it or an associate has, directly or indirectly, a material interest or relationship of any description with another party, are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. Employees of the AIFM are required to disclose and, in most cases, obtain approval for any outside business interest or employment. Employees that are open to a conflict of interest are paid a basic salary, which is not dependent on business performance. Remuneration and bonus structures are designed so as not to create any incentive for officers, members or employees of the AIFM or Victory Hill, to act contrary to their client's interests.

As of the date of this Prospectus, Victory Hill does not have any employees. However, should this position change in the future, Victory Hill will ensure that the obligations pertaining to employees of the AIFM in the above paragraph, are also applied to any such employee of Victory Hill.

Subject to the undertakings referred to in the previous paragraph, notwithstanding similar investment objectives, an investment opportunity for the Company may be allocated across all, some, or only one of the AIFM's clients, dependent on the size of the investment opportunity and the relative opportunity for the Company or other clients. For example, an opportunity for a small investment may not present a meaningful position in a large account and, therefore, may only be allocated to smaller accounts, all other characteristics of the accounts being comparable.

The Directors have satisfied themselves that the AIFM and Victory Hill have procedures in place to address potential conflicts of interest and that, where a conflict arises, the AIFM will allocate the opportunity on a fair basis and in accordance with the AIFM Agreement described at paragraph 8.1 of Part 12 (*General Information*) of this Prospectus.

### **23. MAR and the Disclosure Guidance and Transparency Rules**

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

The Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) must notify the Company if the proportion of the Company's voting rights which they then hold directly or indirectly as a Shareholder or through a direct or indirect holding of certain financial instruments reaches, exceeds or falls below thresholds of three per cent., four per cent.,

five per cent., six per cent., seven per cent., eight per cent., nine per cent. and 10 per cent. and each one per cent thereafter up to 100 per cent.



## PART 8: ENHANCED PIPELINE ASSETS AND FURTHER PIPELINE ASSETS

### 1. Introduction

The Investment Adviser has identified a number of Sustainable Energy Infrastructure Investments that are well suited to the Company's investment objective and policy and the Investment Adviser is undertaking due diligence on, or is in discussions for the Company to participate in, a number of such Sustainable Energy Infrastructure Investments (the "**Pipeline Assets**") with an aggregate value in excess of £1 billion.

Of the Pipeline Assets, approximately £305 million represents Enhanced Pipeline Assets where the Investment Adviser has undertaken preliminary due diligence and (i) has made either non-binding offers or obtained exclusivity over the assets, and/or (ii) is at an advanced state of negotiation with the respective developers of these assets to ensure risk mitigation, alignment of interest and exclusive access to future developer pipeline assets. However, investors should note that no contractually binding obligations for the sale and purchase or to fund the construction of assets have been entered into by the Investment Adviser or the Company.

Investors should note that no opportunities from the Pipeline Asset have been contracted to be acquired by the Company. There can be no assurance that any of the Pipeline Assets will remain available for purchase or investment at Initial Admission or, if available, at what price (if terms can be agreed at all) the investment can be executed by the Company. In addition, the Investment Adviser is under no obligation to make the Pipeline Assets available to the Company. The opportunities presented by the Pipeline Assets are indicative of the type and size of investment that may be made by the Company. Sustainable Energy Infrastructure Investments not comprised in the Pipeline Assets may also become available. The individual holdings within the Portfolio, may therefore be substantially different to the Enhanced Pipeline Assets and Pipeline Assets.

### 2. Details of the Pipeline Assets

#### *The Enhanced Pipeline Assets*

The Enhanced Pipeline Assets, which the Company may look to acquire within 6 months following Initial Admission and which have an aggregate consideration of approximately £305 million, include:

Country	Technology	Project status	Investment size (£ millions)	Object product	Size	Support scheme/ Long Term Contracts	Remaining asset life (years)
Australia	Standalone Battery Storage	Construction	42	Power	184 MWh	Fixed-Price PPA + Merchant	20 <sup>d</sup>
Italy	Waste-to-Energy	Acquisition + Expansion	10	Power and Biomethane	2 600 Nm3/hr CH4 + 4 MW	Feed-in-Tariff + Certificate	22 <sup>c</sup>
United States	Waste-to-Energy	Acquisition + Expansion	7	Biomethane	1 738 Nm3/hr CH4	Fixed-Price Offtake Agreement	25 <sup>a</sup>
Netherlands	Waste-to-Energy	Acquisition + Construction	9	Biomethane	3000 Nm3/hr CH4	Feed-in-Tariff + Certificate	25
United States	Terminal Storage	Acquisition + Expansion	60	Clean Fuels	825 000 bbls	Availability	40
Bulgaria	Distributed Solar PV	Acquisition	9	Power	47.9 MW	Feed-in-Tariff	22 <sup>e</sup>
Latvia	Onshore Wind	Acquisition	13	Power	7 MW	Feed-in-Tariff	26
United Kingdom	CHP + Carbon Capture and Reuse	Construction	121	Power	90 MW	Fixed-Price PPA	35 <sup>b</sup>
Brazil	Distributed Solar PV	Construction	34	Power	56 MW	Fixed-Price PPA	25 <sup>f</sup>
			305				

- a Consists of 2 Projects  
b Consists of 3 Projects  
c Consists of 4 Projects  
d Consists of 5 Projects  
e Consists of 10 Projects  
f Consists of 12 Projects

Over 80 per cent. of the revenues from the Enhanced Pipeline Assets are expected to come from offtake counterparties with credit ratings that are investment grade, with ratings ranging from BBB to AA. These counterparties include large corporates and multinationals, government-owned entities such as national energy companies and national utilities groups.

Subject to completing satisfactory legal, technical and financial due diligence, it is expected that the Company will be able to invest in, or commit to, some of these Enhanced Pipeline Assets shortly after Initial Admission, although, as already noted, there can be no guarantee that the Company would be able to invest in, or commit to, these assets.

### The Further Pipeline Assets

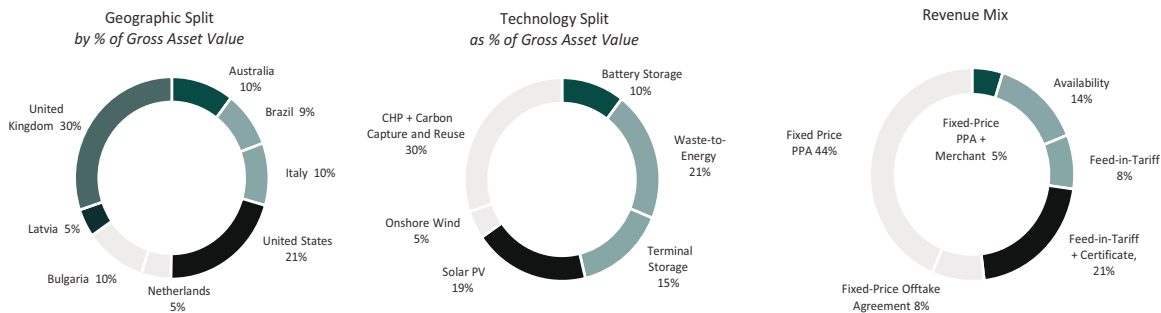
In addition to the Enhanced Pipeline Assets, the Investment Adviser has various Further Pipeline Assets with a total value of £730 million with counterparties situated in the Netherlands, Australia, the United Kingdom, Spain, Italy, Chile, the United States, South Africa, Brazil and Greece. The Investment Adviser has not completed preliminary due diligence nor have offers (binding or non-binding) been made in respect of such potential investments. The Investment Adviser will source additional Sustainable Energy Infrastructure Investments as described in paragraph 6.4 of Part 7 (*The Company*).

### 3. Use of Proceeds

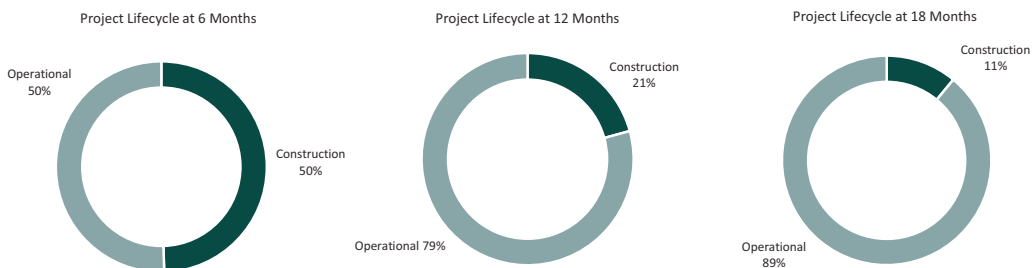
The Investment Adviser believes that, with the Investment Adviser’s experience and the preparatory work undertaken by it to date, suitable assets will be identified, assessed and invested such that the Initial Net Proceeds will be substantially invested or committed within six to nine months following Initial Admission.

### 4. Indicative data relating to selected assets from Enhanced Pipeline Assets

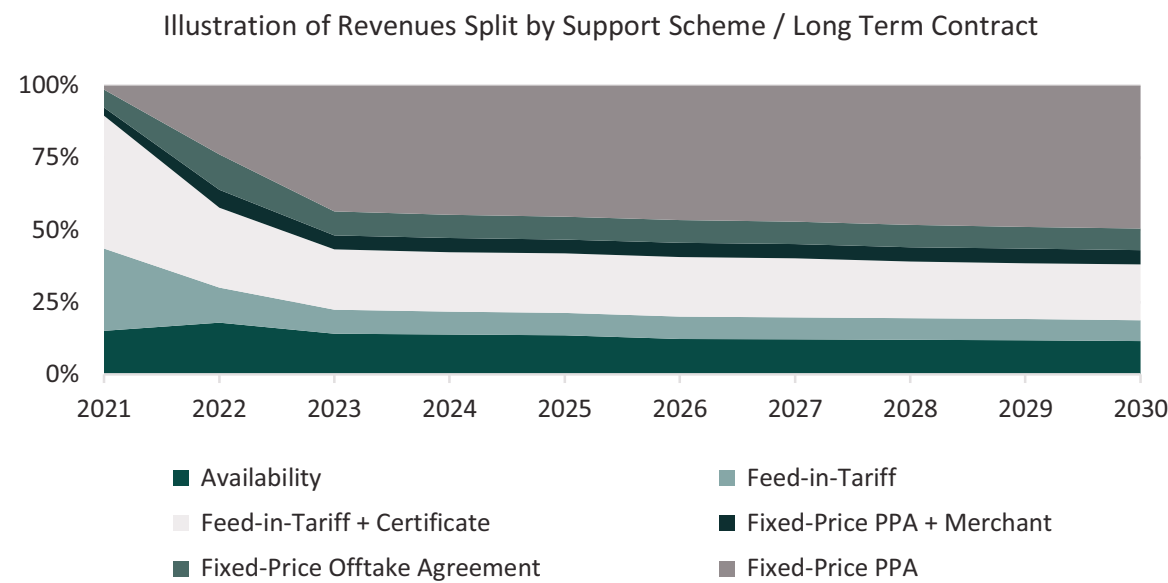
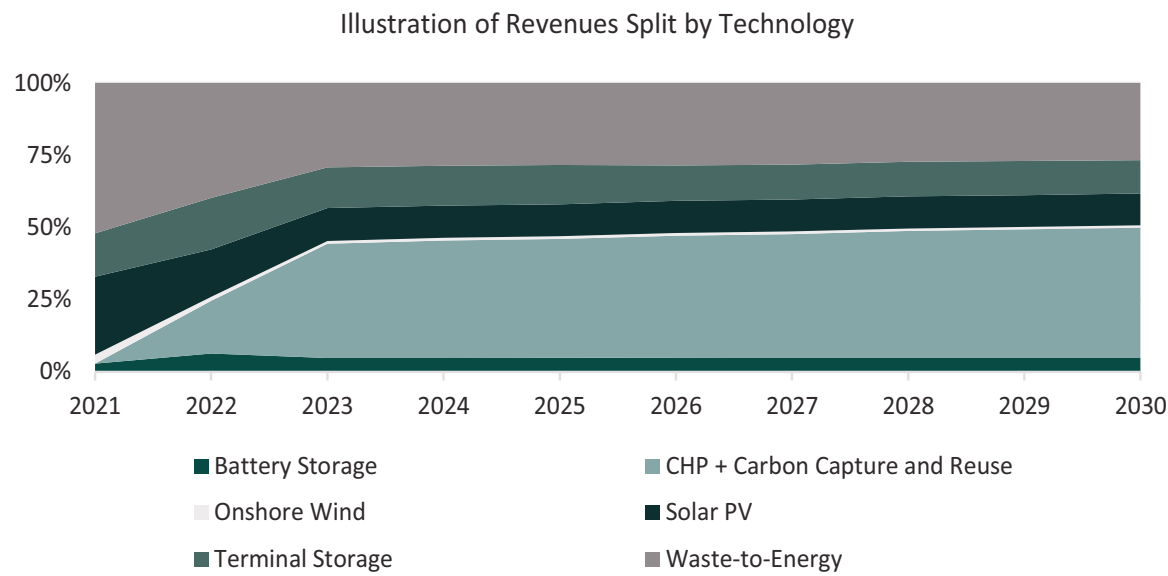
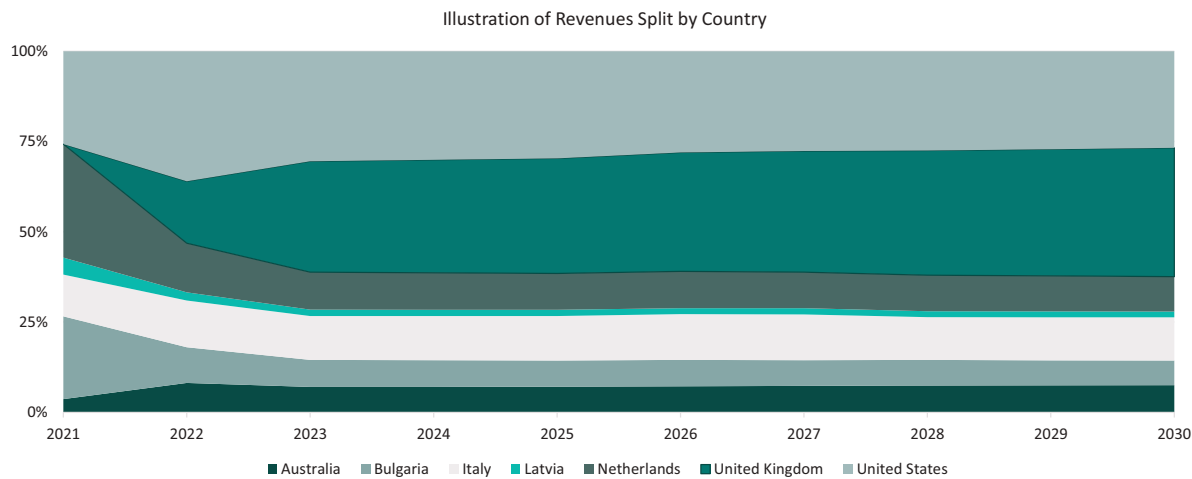
The following charts reflect the Enhanced Pipeline Assets split by percentage of the total Portfolio (assuming all Enhanced Pipeline Assets are acquired immediately following Admission). These charts reflect the diversification benefits of the Enhanced Pipeline Assets described above:



The following charts reflect the likely construction and operational split of the Enhanced Pipeline Assets over the first 18 months from Admission (assuming such Enhanced Pipeline Assets are acquired immediately following Admission).

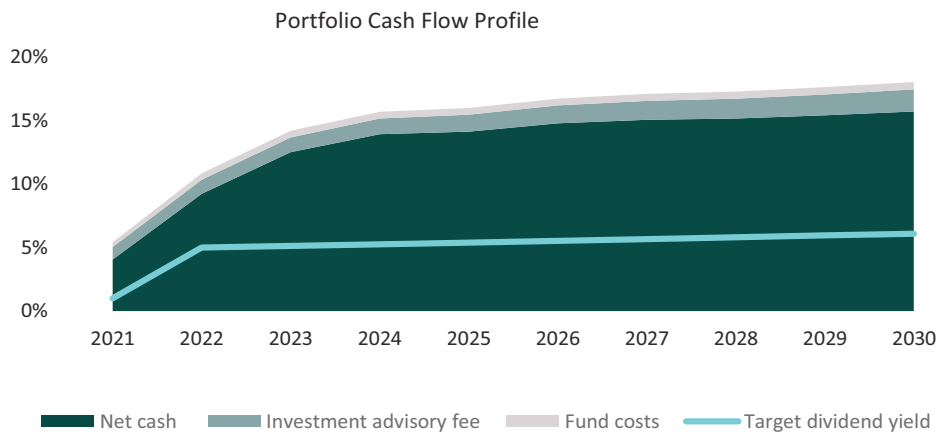


The graphs below demonstrate an indicative revenue breakdown from selected assets within the Enhanced Pipeline Assets:



Source: Victory Hill Capital Advisors LLP

The graph below demonstrates an indicative cash flow profile of selected assets from the Enhanced Pipeline Assets:



Source: Victory Hill Capital Advisors LLP

The indicative information on the charts in this paragraph 4 of Part 8 (*Enhanced Pipeline Assets and Further Pipeline Assets*) has been provided by the Investment Adviser and has been calculated on the basis of various assumptions and inputs, including the Enhanced Pipeline Assets. Therefore, there can be no assurance that the Company will ultimately invest in the Enhanced Pipeline Assets or that the potential revenues, including the split associated with these assets will be achieved. The hypothetical selection of assets represents a total investment of £305 million invested across 39 projects. The information provided should not be seen as an indication of the expected or actual Portfolio composition, revenue diversification or hedging strategies, results or returns. Accordingly, investors should not place any reliance on this information when deciding whether to invest in Shares.

## **PART 9: THE INITIAL ISSUE (INITIAL PLACING, OFFER FOR SUBSCRIPTION AND INTERMEDIARIES OFFER)**

### **1. Introduction**

The Initial Issue consists of a placing and an offer for subscription of up to 400 million Ordinary Shares in aggregate which are being issued at 100p per Ordinary Share. Investors will not be charged a fee in addition to their payment of the Issue Price in order to subscribe for Ordinary Shares, as the Issue Expenses will be met out of the proceeds of the Initial Issue. The Issue Expenses are therefore an indirect charge to investors. The Initial Issue constitutes the initial opportunity to purchase Ordinary Shares in the Company. The total number of Ordinary Shares issued under the Initial Placing, Offer for Subscription and Intermediaries Offer will be determined by the Company, Numis and Victory Hill after taking into account demand for the Ordinary Shares and prevailing economic and market conditions, subject to a maximum of 400 million Ordinary Shares.

The Initial Placing, Offer for Subscription and Intermediaries Offer are conditional amongst other things on:

- (a) the Issue Agreement having become unconditional in all respects (save for the condition relating to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission;
- (b) the Minimum Gross Proceeds being raised; and
- (c) Initial Admission becoming effective not later than 8.00 a.m. on 2 February 2021 or such later time and/or date as Numis and the Company may agree, (being not later than 8.00 a.m. on 31 March 2021).

If any of these conditions is not met, the Initial Issue will not proceed and an announcement to that effect will be made via a Regulatory Information Service. Further details of the Issue Agreement are set out in paragraph 8.4 of Part 12 (*General Information*) of this Prospectus.

Neither the Initial Placing, the Offer for Subscription nor the Intermediaries Offer is underwritten. The decision whether to proceed with the Initial Issue will be at the absolute discretion, and subject to the agreement, of the Directors, Numis and Victory Hill.

Further details on the conditions to the Initial Placing, the Offer for Subscription and the Intermediaries Offer are set out below.

### **2. The Initial Placing**

Up to 400 million Ordinary Shares are available to be placed on behalf of the Company at the Issue Price to raise £400 million before expenses.

The Directors have agreed to participate in the Initial Placing by subscribing for a total of 35,000 Ordinary Shares at the Issue Price. The Directors are not proposing to apply for Ordinary Shares under the Offer for Subscription.

Placees will receive a contract note following closing of the Initial Placing and prior to Initial Admission of the Ordinary Shares notifying them of the number of Ordinary Shares they will receive. Dealings in the Ordinary Shares issued pursuant to the Initial Placing will not be permitted prior to Admission.

### **3. The Offer for Subscription**

Ordinary Shares are also being made available to the public in the United Kingdom (other than certain overseas investors) through the Offer for Subscription at 100p per Ordinary Share payable in full on application.

Applications under the Offer for Subscription must be for a minimum of 1,000 Ordinary Shares representing a subscription price of £1,000 and thereafter in multiples of 100 Ordinary Shares. The Directors may, in their absolute discretion, after taking into account the demand for Ordinary Shares under the Initial Placing and Offer for Subscription and economic and market conditions, waive the minimum initial subscription requirement in respect of any particular application under the Offer for Subscription. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

The Ordinary Shares will be a qualifying investment for the stocks and shares component of an ISA, provided they are acquired by an ISA plan manager through an offer to the public (such as the Offer for Subscription) or in the market, but not through the Initial Placing. Any person wishing to apply for Ordinary Shares under the Offer for Subscription through an ISA should contact their ISA manager as soon as possible.

The terms and conditions of application under the Offer for Subscription are set out in Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) of this Prospectus. The procedure for applying for Ordinary Shares under the Offer for Subscription and an application form for use under the Offer for Subscription can be found in the Appendix to this Prospectus.

Payment must be made by electronic interbank transfer (CHAPS). No interest will be paid on payments made before they are due.

Payment by electronic interbank transfer (CHAPS) must be accompanied by a personalised payment reference number which may be obtained by contacting Computershare by email at [OFSpaymentqueries@computershare.co.uk](mailto:OFSpaymentqueries@computershare.co.uk). Payment by CHAPS must come from a personal account in the name of the individual investor where they have sole or joint title to the funds (the account name should be the same as that shown on the Application Form).

Completed Application Forms indicating that a CHAPS payment for the full amount has been made must be returned, by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH so as to be received by no later than 11:00 a.m. on 27 January 2021 at which time and date the Offer for Subscription will close. The Directors may, with the prior approval of Victory Hill and Numis, alter such date by shortening or lengthening the offer period under the Offer for Subscription. The Company will notify investors of any such change through the publication of a notice through a Regulatory Information Service. All documents sent through the post will be sent at the risk of the sender.

If the Offer for Subscription does not become unconditional, no Ordinary Shares will be issued pursuant to the Initial Issue and all moneys will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest and at the risk of the applicant as soon as practicable following the lapse of the Offer for Subscription.

#### **4. Intermediaries Offer**

Investors may also subscribe for Ordinary Shares at the Issue Price of 100p per Ordinary Share pursuant to the Intermediaries Offer. Only the Intermediaries' retail investor clients in the United Kingdom are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client.

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom. A minimum application of £1,000 per Underlying Applicant will apply. Allocations to Intermediaries will be determined by the Company.

An application for Ordinary Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the Ordinary Shares applied for at the Issue Price. Each Underlying Applicant must comply with appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for Ordinary Shares. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the Underlying Applicant as required and all such refunds shall be made without interest. The Company, Numis and the Intermediaries Offer Adviser accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions which regulate, among other things, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Intermediaries Offer Adviser acting on behalf of the Company if such Intermediary elects to receive a commission and/or fee. Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in, and are not acting on behalf of



anyone located in, the United States, Canada, Australia, Japan or the Republic of South Africa and are not acting on behalf of anyone located in the United States.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by the Company, Numis or the Intermediaries Offer Adviser. Any liability relating to such documents shall be for the relevant Intermediaries only.

## **5. Dealings and settlement**

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all of the Ordinary Shares to be issued in connection with the Initial Issue to be admitted to the premium segment of the Official List under Chapter 15 of the Listing Rules and to trading on the Main Market. It is expected that Initial Admission will occur and that dealing in the Ordinary Shares will commence on 2 February 2021.

Subject to the Initial Issue becoming unconditional, the Ordinary Shares will be issued on 2 February 2021, fully paid and in registered form, and may be delivered into CREST or in certificated form. Applicants under the Offer for Subscription wishing to have their Ordinary Shares delivered to a CREST stock account in their own name, which is expected to take place on 2 February 2021, should include their CREST details in section 4 of the Application Form. Temporary documents of title will not be issued pending the despatch of definitive certificate for Ordinary Shares issued in certificated form, which is expected to take place in the week commencing 8 February 2021. Dealings in the Ordinary Shares issued pursuant to the Initial Issue will not be permitted prior to Initial Admission. Subsequent to Initial Admission, dealings in Ordinary Shares in advance of the crediting of the relevant CREST accounts or the issue of share certificates will be at the risk of the person concerned.

When admitted to trading, the Ordinary Shares will be registered with ISIN number GB00BNKVP754 and SEDOL number BNKVP75.

## **6. Announcements regarding the Initial Placing, the Offer for Subscription and the Intermediaries Offer**

The results of the Initial Placing, the Offer for Subscription and the Intermediaries Offer and the basis of allocation are expected to be announced by the Company through a Regulatory Information Service on or around 28 January 2021 and, in any event, prior to Initial Admission.

## **7. Conditions of the Initial Issue**

The Initial Issue is conditional on, among other things, (i) the Issue Agreement not being terminated in accordance with its terms at any time prior to Initial Admission; (ii) Initial Admission occurring by 8.00 a.m. on 2 February 2021 (or such later date as the Company and Numis may agree, being in any event not later than 8.00 a.m. on 31 March 2021); and (iii) the Minimum Gross Proceeds (or such lesser amount as the Company, Numis and Victory Hill may agree) being raised. If any of these conditions is not met, the Initial Issue will not proceed and an announcement to that effect will be made via a Regulatory Information Service.

The issue of Ordinary Shares pursuant to the Initial Placing, the Offer for Subscription and the Intermediaries Offer will be revoked if Initial Admission has not occurred by 8.00 a.m. on 2 February 2021 (or such later date as the Company and Numis may agree, being in any event not later than 8.00 a.m. on 31 March 2021) or, if earlier, on the date on which the Initial Issue ceases to be capable of becoming conditional. Any such revocation will be announced by the Company through a Regulatory Information Service as soon as practicable after the Company has become aware of the occurrence of the event that has resulted in such revocation.

In the event that the Initial Issue does not proceed for whatever reason, all moneys will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest and at the risk of the applicant.

## **8. Scaling back**

The Directors are authorised to issue up to 400 million Ordinary Shares pursuant to the Initial Issue. To the extent that applications under the Initial Placing, the Offer for Subscription and the Intermediaries Offer are made for more than 400 million Ordinary Shares, those applications will be scaled back on such basis as Numis may determine (in consultation with the Company).

To the extent that the subscription monies received by the Company in relation to any application for Ordinary Shares through the Initial Placing, the Offer for Subscription and the Intermediaries Offer exceed the aggregate value, at the Issue Price, of the Ordinary Shares issued pursuant to such application, the balance of such sum will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest and at the risk of the applicant.

## **9. Costs of the Initial Issue**

Assuming that the Initial Issue is fully subscribed, and the expenses of the Initial Issue are £7,500,000, the Net Proceeds will be £392,500,000 (inclusive of any irrecoverable VAT).

## **10. Use of proceeds**

The Initial Issue and the Placing Programme is intended to raise money for investment in accordance with the Investment Policy.

The net proceeds of the Placing Programme will be invested by the AIFM, advised by Victory Hill on behalf of the Company in accordance with the Company's published investment policy.

The Company may use the proceeds of the Issue to invest in the Enhanced Pipeline Assets, the Further Pipeline Assets or other Sustainable Energy Infrastructure Investments. Where Enhanced Pipeline Assets or Further Pipeline Assets have not yet been acquired, there can be no guarantee that the Company will conclude its negotiations in respect of those Enhanced Pipeline Assets or Further Pipeline Assets and/or acquire any of them, as any acquisition of an Enhanced Pipeline Asset or Further Pipeline Asset remains subject to completion of adequate due diligence and a sale and purchase agreement on suitable terms.

## **11. Money laundering**

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the United Kingdom, the Company and its agents, the Administrator, the Registrar, the Receiving Agent, the AIFM, Numis, or Victory Hill may require evidence of the identity of each investor in connection with any application for Ordinary Shares, including further identification of the applicant(s) before any Ordinary Shares are issued.

Each of the Company and its agents, including the Administrator, the Registrar, the Receiving Agent, the AIFM, Numis or Victory Hill reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's Ordinary Shares. In the event of delay or failure by the Shareholder or prospective Shareholder to produce any information required for verification purposes, the Directors, in consultation with the Company's agents, including the Administrator, the Registrar, the Receiving Agent, the AIFM, Numis and Victory Hill may refuse to accept a subscription for Ordinary Shares.

## **12. U.S. purchase and transfer restrictions**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or Victory Hill.

The Company has elected to impose the restrictions described below on the issue and on the future trading of the Ordinary Shares so that the Company will not be required to register the offer and sale of the Ordinary Shares under the Securities Act, so that the Company will not have an obligation to register as an investment company under the Investment Company Act and related rules and to address certain ERISA, Tax Code, FATCA and other considerations. These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove

them, may adversely affect the ability of holders of the Ordinary Shares to trade such securities. Due to the restrictions described below, potential investors in the United States and U.S. Persons are advised to consult legal counsel prior to making any offer, resale, exercise, pledge or other transfer of the Ordinary Shares. The Company and its agents will not be obligated to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described below.

### **13. Restrictions due to lack of registration under the Securities Act and Investment Company Act restrictions**

The Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. There will be no public offer of the Ordinary Shares in the United States. Subject to certain exceptions, the Ordinary Shares are being offered and sold only outside the United States to persons who are not U.S. Persons in reliance on the exemption from registration provided by Regulation S under the Securities Act.

Moreover, the Company has not been and will not be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. The Ordinary Shares and any beneficial interests therein may only be transferred in an offshore transaction in accordance with Regulation S under the Securities Act (i) to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

### **14. General**

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA, in the event of the publication of a supplementary prospectus, applicants under the Offer for Subscription and Intermediaries Offer may not withdraw their applications for Ordinary Shares.

Investors under the Offer for Subscription wishing to exercise statutory withdrawal rights pursuant to section 87(Q)(4) of FSMA after the publication of a supplementary prospectus must do so by lodging written notice of withdrawal by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by emailing [OFSpaymentqueries@computershare.co.uk](mailto:OFSpaymentqueries@computershare.co.uk) so as to be received no later than four Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received after expiry of such period will not constitute a valid withdrawal.

Intermediaries wishing to exercise withdrawal rights on behalf of their underlying clients on behalf of whom they have submitted applications for Ordinary Shares, after the publication of a supplementary prospectus prior to the close of the Intermediaries Offer must do so in accordance with the Intermediaries Terms and Conditions so as to be received no later than four Business Days after the date on which the supplementary prospectus is published. If the applications for Ordinary Shares are not withdrawn by the Intermediaries during such time, the offer to apply for Ordinary Shares as set out in the application will remain valid and binding.

## PART 10: PLACING PROGRAMME

### 1. Introduction

The Company has made arrangements under which the Board has discretion to issue under the Placing Programme up to 600 million New Ordinary Shares and/or C Shares, provided that such number of Ordinary Shares (including New Ordinary Shares) and C Shares issued pursuant to the Initial Issue and the Placing Programme and including the Company's existing subscriber share, which is to be transferred to a Placee pursuant to the Initial Placing, may not exceed 600 million Shares in aggregate. The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue New Ordinary Shares and/or C Shares over a period of time. The Placing Programme is intended to satisfy market demand for the Ordinary Shares and to raise further money for investment in accordance with the Investment Policy.

### 2. Background to and reasons for the Placing Programme

The Company will have the flexibility to issue further Ordinary Shares or C Shares on a non-pre-emptive basis where there appears to be reasonable demand for Ordinary Shares in the market, for example if the Ordinary Shares trade at a premium to their Net Asset Value per Ordinary Share. In addition, as any New Ordinary Shares issued under the Placing Programme will be issued at a price not less than the last published cum income Net Asset Value per Ordinary Share (other than any Ordinary Shares held in treasury), nor more than the best offer price per Ordinary Share as quoted on the London Stock Exchange at the time that the proposed issue is agreed, as determined by the Directors, an issue of New Ordinary Shares under the Placing Programme may be used by the Company to reduce any premium over NAV at which its Shares may be trading.

The number of Ordinary Shares and/or C Shares available under the Placing Programme is intended to be flexible and should not be taken as an indication of the number of shares to be issued. The Company will make the decision on each individual occasion it wishes to issue shares under the Placing Programme as to whether the Company will issue Ordinary Shares or C Shares.

It is expected that the Board will issue C Shares rather than New Ordinary Shares in circumstances where there is substantial investor demand such that an issue of New Ordinary Shares would have the potential to harm the Company's existing investors by causing them to be invested in a large amount of cash following a fundraise, which could potentially take a prolonged period of time to invest, which would adversely impact the Net Asset Value per Ordinary Share. The assets representing the net proceeds of an issue of C Shares would be accounted for as a separate pool, and the C Shares would bear a proportionate share of the Company's costs and expenses, until such pool is substantially invested in accordance with the Investment Policy, following which the C Shares would be converted into New Ordinary Shares based on the respective NAV per Share.

For the purposes of assessing the conversion date of an issue of C Shares into New Ordinary Shares, a separate pool underlying an issue of C Shares will be deemed to have been substantially invested when at least 90 per cent. (or such other percentage as the Directors determine) of the pool has been invested.

The C Shares will carry voting rights at General Meetings. The detailed terms of the C Shares are set out in paragraph 4 of Part 12 (*General Information*) of this Prospectus.

Shareholder authority to issue further Ordinary Shares and/or C Shares on a non-pre-emptive basis was granted on 5 January 2021. In utilising its discretion under the Placing Programme and seeking such authorities in the future the Directors intend to take into account relevant factors, including the desirability of limiting the premium to Net Asset Value at which the Ordinary Shares trade in order to ensure that Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire additional Ordinary Shares at a high premium to NAV per Ordinary Share.

### 3. Benefits of the Placing Programme

The Directors believe that the issue of Ordinary Shares or C Shares pursuant to the Placing Programme should yield the following principal benefits:

- (a) maintain the Company's ability to issue New Ordinary Shares or C Shares, so as to better manage the premium at which the Ordinary Shares may trade to NAV per Ordinary Share;

- (b) enhance the NAV per Ordinary Share of existing Ordinary Shares through new share issuance of New Ordinary Shares at a premium of at least 2 per cent. to the last published cum income NAV per Ordinary Share;
- (c) grow the Company, thereby spreading operating costs over a larger capital base which should reduce the total expense ratio; and
- (d) improve liquidity in the market for the Ordinary Shares.

The Directors will consider the potential impact of the Placing Programme on the payment of dividends to Shareholders and intend to ensure that it will not result in any material dilution of the dividends per Ordinary Share that the Company may be able to pay. Assuming that 200 million New Ordinary Shares are issued pursuant to the Initial Issue and that the maximum of 400 million New Ordinary Shares or C Shares are issued under the Placing Programme, a Shareholder holding shares representing 10 per cent. of the Company's issued Ordinary Share capital following the Initial Issue, who does not participate in the Placing Programme, would, immediately following completion of the Placing Programme, hold shares representing approximately 3.3 per cent. of the Company's issued Ordinary Share capital, which represents a dilution of approximately 67 per cent. in the Shareholders' voting control of the Company (prior to the conversion of any C Shares).

#### **4. The Placing Programme**

The Placing Programme will open on 3 February 2021 and will close on 5 January 2022. The maximum number of New Ordinary Shares and/or C Shares to be issued pursuant to the Placing Programme will be equal in aggregate to 600 million Shares, provided that such number of Ordinary Shares (including New Ordinary Shares) and C Shares issued pursuant to the Initial Issue and the Placing Programme may not exceed 600 million Shares in aggregate. No New Ordinary Shares will be issued at a discount to the Net Asset Value per Ordinary Share at the time of the relevant allotment. The Company will not issue any New Ordinary Shares at a discount of 10 per cent. or more to the middle market price of the Ordinary Share at the relevant time without further Shareholder approval.

The issue of New Ordinary Shares or C Shares under the Placing Programme is at the discretion of the Directors. Subsequent Issues may take place at any time prior to the closing date of the Placing Programme. An announcement of each issue under the Placing Programme will be released through an RIS. It is anticipated that dealings in the New Ordinary Shares or C Shares, as applicable, will commence approximately three Business Days after their issue. Whilst it is expected that all New Ordinary Shares and C Shares (as applicable) issued pursuant to the Placing Programme will be issued in uncertificated form, if any New Ordinary Shares or C Shares are issued in certificated form it is expected that share certificates will be despatched within ten Business Days after the relevant issue date.

Payment for any New Ordinary Shares issued under the Placing Programme should be made in accordance with settlement instructions provided to Placees by Numis.

The minimum subscription pursuant to the Placing Programme is intended to be £1,000. There is no maximum subscription.

The Placing Programme is not being underwritten and, as at the date of this Prospectus, the actual number of New Ordinary Shares and/or C Shares to be issued under the Placing Programme is not known. The number of New Ordinary Shares and/or C Shares available under the Placing Programme should not be taken as an indication of the number of New Ordinary Shares and/or C Shares finally to be issued.

So far as the Directors are aware as at the date of this Prospectus, no major Shareholders or Directors intend to make a commitment for New Ordinary Shares or C Shares under the Placing Programme.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all of the New Ordinary Shares and the C Shares to be issued in connection with the Placing Programme to be admitted to the premium segment of the Official List under Chapter 15 of the Listing Rules and to trading on the Main Market. All New Ordinary Shares and C Shares issued pursuant to the Placing Programme will be issued conditionally on such Subsequent Admission occurring. This Prospectus has been published in order to obtain Subsequent Admission to the Official List of any New Ordinary Shares issued pursuant to the Placing Programme. This will



include any New Ordinary Shares issued under the Directors' existing authority to issue Ordinary Shares and/or C Shares on a non-pre-emptive basis after the date of this Prospectus. Should the Board wish to issue New Ordinary Shares or C Shares in excess of the amount for which it is then authorised to issue, further authorities may be sought at an appropriate time by convening a General Meeting for this purpose.

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

The C Shares issued pursuant to the Placing Programme:

- (a) will not be entitled to any dividends payable in respect of the Ordinary Shares but on their conversion into New Ordinary Shares they will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the conversion of the C Shares);
- (b) will be entitled to any dividends payable in respect of the pool of assets attributable to the relevant C Shares. It is intended that dividends will be declared on the C Shares only in the event that there is material net income available for distribution to the C Shares, but the level of dividends (if any) declared on the C Shares will depend on the actual timing and terms of the deployment of the relevant C Share issue proceeds. In the event that any net income attributable to the C Shares is not distributed as dividend, such net income will be included in the value of the C Shares when calculating their entitlement for New Ordinary Shares upon their conversion.

The Placing Programme will be suspended at any time when the Company is unable to issue New Ordinary Shares and/or C Shares pursuant to the Placing Programme under any statutory provision or other regulation applicable to the Company or otherwise at the Directors' discretion.

In the event that there are any significant matters affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to the termination of the Placing Programme, the Company will publish a supplementary prospectus. Any supplementary prospectus published by the Company will give details of the significant change(s) or the significant new matter(s). In the event that the Company is required to publish a supplementary prospectus prior to any Admission, applicants who have applied for New Ordinary Shares under any Subsequent Placing shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw in its entirety their offer to acquire New Ordinary Shares in the relevant Subsequent Placing. The right to withdraw an application to acquire New Ordinary Shares in the relevant Subsequent Placing in these circumstances will be available to all investors in the relevant Subsequent Placing. If the application is not withdrawn within the stipulated period, any offer to apply for Ordinary Shares in the relevant Subsequent Placing will remain valid and binding.

## **5. Conditions**

Each allotment and issue of New Ordinary Shares and/or C Shares under the Placing Programme following the Initial Issue, is conditional, among other things, on:

- (a) in the case of New Ordinary Shares, the Placing Programme Price being determined by the Directors as described below;
- (b) Admission of the New Ordinary Shares or C Shares being issued pursuant to such issue;
- (c) the Issue Agreement becoming otherwise unconditional in respect of the relevant issue of New Ordinary Shares and/or C Shares in all respects and not having been terminated on or before the date of such Admission; and
- (d) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules.

In circumstances where these conditions are not fully met, the relevant issue of New Ordinary Shares or C Shares pursuant to the Placing Programme will not take place.



## **6. Calculation of the Placing Programme Price**

The Placing Programme Price of the New Ordinary Shares will be calculated by reference to the last published cum income Net Asset Value of each existing Ordinary Share (other than any Ordinary Shares held in treasury) at the time of issue together with a premium intended to at least cover the costs and expenses of the placing pursuant to the Placing Programme (including, without limitation, any placing commission), such costs and expenses being estimated to be no more than 2 per cent. of the amounts raised. Purchasers of New Ordinary Shares therefore bear the costs and expenses (including any applicable taxes) of the relevant Subsequent Placing. The Directors will determine the Placing Programme Price on the basis described above so as to cover the costs and expenses of each placing of New Ordinary Shares under the Placing Programme and thereby avoid any dilution of the Net Asset Value of the existing Ordinary Shares held by Shareholders.

The Placing Programme Price will be announced through a Regulatory Information Service as soon as is practicable in conjunction with each Subsequent Issue.

The Placing Programme Price of any C Shares issued pursuant to the Placing Programme will be 100p per C Share.

The net proceeds of the Placing Programme is dependent on the number of New Ordinary Shares and/or C Shares issued pursuant to the Placing Programme and the applicable Placing Programme Price of any New Ordinary Shares issued.

Where New Ordinary Shares or C Shares are issued, the total assets of the Company will increase by that number of New Ordinary Shares or C Shares issued multiplied by the applicable Placing Programme Price. It is not expected that there will be any material impact on the earnings and Net Asset Value per Ordinary Share, as the net proceeds resulting from any issue under the Placing Programme are expected to be invested in investments consistent with the investment objective and investment policy of the Company and the Placing Programme Price of the New Ordinary Shares is expected to represent a modest premium to the then prevailing Net Asset Value per Ordinary Share.

Fractions of New Ordinary Shares or C Shares will not be issued.

## **7. Voting dilution**

Assuming that 200 million New Ordinary Shares are issued pursuant to the Initial Issue and that the maximum of 400 million New Ordinary Shares or C Shares are issued under the Placing Programme, a Shareholder holding shares representing 10 per cent. of the Company's issued Ordinary Share capital following the Initial Issue, who does not participate in the Placing Programme, would, immediately following completion of the Placing Programme, hold shares representing approximately 3.3 per cent. of the Company's issued Ordinary Share capital, which represents a dilution of approximately 67 per cent. in the Shareholders' voting control of the Company (prior to the conversion of any C Shares). The voting rights may be further diluted on conversion of any C Shares depending on the applicable conversion ratio. However, it is not anticipated that there will be any dilution in the NAV per Ordinary Share as a result of any subsequent issue under the Placing Programme.

## **8. Settlement**

Payment for New Ordinary Shares and C Shares issued under the Placing Programme will be made through CREST or through Numis, in any such case in accordance with settlement instructions to be notified to Placees by Numis. In the case of those subscribers not using CREST, monies received by and held in account by or on behalf of Numis will not be held as client money within the meaning of the relevant provisions of the FCA Rules, which therefore will not require Numis to segregate such money, as that money will be held by Numis under a banking relationship and not as trustee.

To the extent that any placing commitment is rejected in whole or in part, any monies received will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest at the risk of the Placee.

## **9. Costs of the Placing Programme**

The costs and expenses of each Subsequent Issue are estimated to be no more than 2 per cent. of the amounts raised.

Under the Placing Programme, each New Ordinary Share will be made available to investors at a price calculated by reference to the estimated cum income Net Asset Value of each existing Ordinary Share together with a premium intended to cover the costs and expenses payable by the Company in connection with each Subsequent Issue. Since the New Ordinary Shares will be issued at the Placing Programme Price which includes a premium to the estimated prevailing NAV (cum income) per existing Ordinary Share to cover the expenses of each Subsequent Issue of Ordinary Shares, existing Shareholders will experience no dilution on a NAV per Share basis as a result of any issue of New Ordinary Shares and the deduction of any costs and expenses incurred in connection with such Subsequent Issue.

The costs and expenses of any Subsequent Issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

By way of illustration, assuming an initial NAV of 100p per Ordinary Share, the Placing Programme Price per New Ordinary Share would be expected to be at least 102p, and the expenses indirectly borne by the Company would be approximately 2p per Ordinary Share. The Placing Programme Price of any C Shares issued pursuant to the Placing Programme will be 100p per C Share and the costs of the relevant issue of such C Shares, which are expected to be no more than 2 per cent. of that issue, will be paid out of the proceeds of the issue and accordingly will be borne indirectly by investors in the relevant C Shares.

Assuming that £400 million is raised under the Placing Programme before expenses solely through the issue of New Ordinary Shares, a Placing Programme Price of 100p per New Ordinary Share and costs of the Placing Programme of approximately 2 per cent. of the gross proceeds, the gross proceeds would be £400 million, and the net proceeds of the Placing Programme would therefore be £392 million.

Assuming that £400 million is raised under the Placing Programme before expenses solely through the issue of C Shares, a Placing Programme Price of 100p per New Ordinary Share and costs of the Placing Programme of approximately 2 per cent. of the gross proceeds, the gross proceeds would be £400 million, and the net proceeds of the Placing Programme would therefore be £392 million.

## **10. Use of proceeds**

The net proceeds of the Placing Programme will be invested by the AIFM, advised by Victory Hill, on behalf of the Company in accordance with the Company's published investment policy.

The Company may use the proceeds of the Placing Programme to invest in the Enhanced Pipeline Assets, the Further Pipeline Assets, in the event that proceeds raised through the Issue are insufficient to have acquired all of the Enhanced Pipeline Assets and/or the Further Pipeline Assets with the proceeds of the Issue. Where Enhanced Pipeline Assets or Further Pipeline Assets have not yet been acquired, there can be no guarantee that the Company will conclude its negotiations in respect of those Enhanced Pipeline Assets or Further Pipeline Assets and/or acquire any of them, as any acquisition of an Enhanced Pipeline Asset or Further Pipeline Assets remains subject to completion of adequate due diligence and a sale and purchase agreement on suitable terms.

## **11. Scaling back**

In the event of oversubscription of a subsequent issue of New Ordinary Shares and/or C Shares under the Placing Programme, applications will be scaled back at Numis' discretion (in consultation with the Company).

## **12. Money laundering**

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the United Kingdom, the Company and its agents, the Administrator, the AIFM, the Registrar, the Receiving Agent, Numis or Victory Hill may require evidence of the identity of each investor in connection with any application for New Ordinary Shares, including further identification of the applicant(s) before any New Ordinary Shares are issued.

Each of the Company and its agents, including the Administrator, the AIFM, the Registrar, the Receiving Agent, Numis or Victory Hill reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's Ordinary Shares. In the event of delay or failure by the Shareholder or prospective Shareholder to produce any information required for verification purposes, the Directors, in consultation with the Company's agents, including the Administrator, the AIFM, the Registrar, the Receiving Agent, Numis or Victory Hill may refuse to accept a subscription for New Ordinary Shares.

### **13. U.S. purchase and transfer restrictions**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or Victory Hill.

The Company has elected to impose the restrictions described below on the issue and on the future trading of the New Ordinary Shares so that the Company will not be required to register the offer and sale of the New Ordinary Shares under the Securities Act, so that the Company will not have an obligation to register as an investment company under the Investment Company Act and related rules and to address certain ERISA, Tax Code, FATCA and other considerations. These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of holders of the New Ordinary Shares to trade such securities. Due to the restrictions described below, potential investors in the United States and U.S. Persons are advised to consult legal counsel prior to making any offer, resale, exercise, pledge or other transfer of the New Ordinary Shares. The Company and its agents will not be obligated to recognise any resale or other transfer of the New Ordinary Shares made other than in compliance with the restrictions described below.

### **14. Restrictions due to lack of registration under the Securities Act and Investment Company Act restrictions**

The Ordinary Shares and the C Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares and the C Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons. There will be no public offer of the Ordinary Shares or the C Shares in the United States. Subject to certain exceptions, the Ordinary Shares and the C Shares are being offered and sold only outside the United States to persons who are not U.S. Persons in reliance on the exemption from registration provided by Regulation S under the Securities Act.

Moreover, the Company has not been and will not be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. The Ordinary Shares and the C Shares and any beneficial interests therein may only be transferred in an offshore transaction in accordance with Regulation S under the Securities Act (i) to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

## **PART 11: UK TAX**

The information below is a general, non-exhaustive guide based on current UK law and HMRC practice, both of which are subject to change (potentially with retrospective effect). It summarises the tax position of the Company and of Shareholders who are UK resident (except where indicated) and hold Shares as investments and who are not subject to special UK tax treatment by virtue of their status. It does not constitute legal or tax advice and potential investors are recommended to take professional advice. In particular, the tax legislation of the Shareholder's or potential investor's country of domicile or residence and of the Company's country of incorporation may have an impact on income received from the Shares.

The comments apply only to Shareholders who are the beneficial owners of their Shares. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the UK, are recommended to take professional advice.

### **1. The Company**

The Company will apply to HMRC for approval as an investment trust. It is the intention of the Directors to conduct the Company's affairs so that it qualifies to receive approval as an investment trust and continues to be approved by satisfying the conditions necessary for it to be eligible as an investment trust under Chapter 4 of Part 24 of the CTA (as amended) and the Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended). Neither the Investment Adviser nor the Directors can guarantee that this approval will be granted or maintained. The following comments are made on the basis that the Company is approved as an investment trust and that the approval is maintained.

As an investment trust the Company will be generally exempt from UK tax on capital gains realised on the disposal of investments, including in certain circumstances interest-paying securities and derivatives, held within it.

The Company should in practice generally be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the "exempt classes" in Part 9A of the Corporation Tax Act 2009. Other (non-dividend) income received by the Company will, after deduction of allowable management fees and any other allowable costs, normally be subject to UK corporation tax (the current UK corporate tax rate is 19 per cent.).

An investment trust approved under Chapter 4 of Part 24 of the CTA, or one that intends to seek such approval and which has a reasonable belief that such approval will be obtained, is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). The Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it should be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period. The Company may elect for the "streaming" regime to apply to the dividend payments it makes to the extent that it has such "qualifying interest income", arising (for instance) from shareholder loans that it may make.

Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but domestic reliefs or double taxation relief may be available.

### **2. Shareholders**

All distributions are paid without the deduction of any UK tax and without any notional tax credit attached. Shareholders in the UK and other countries may be liable to account for tax in respect of

their distributions to the tax authority in their country of residence. The following comments refer only to the tax liabilities of UK resident Shareholders and to UK withholding tax.

## 2.1 Dividends – individuals

The following statements summarise the expected UK tax treatment for UK resident individual Shareholders who receive dividends from the Company. The statements in the following three paragraphs do not apply to interest distributions.

UK resident individuals are entitled to an annual dividend allowance (currently £2,000) in a tax year. For dividends received in excess of the allowance the income tax rates are 7.5 per cent. for dividend income within the basic rate band, 32.5 per cent. for dividend income within the higher rate band and 38.1 per cent. for dividend income within the additional rate band.

Dividend income that falls within the dividend allowance counts towards an individual's basic or higher rate limits – and will therefore affect the level of savings allowance to which that individual is entitled, and the rate of tax that is due on any dividend income in excess of the dividend allowance. In calculating into which tax band any dividend income over the dividend allowance falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

The Company will not be required to withhold tax at source when paying a dividend to individuals.

If the Company pays interest distributions then UK resident individual Shareholders should treat those distributions as interest received without tax deducted. UK resident individual Shareholders may be entitled to an annual savings allowance on interest depending on their highest marginal tax rate. The allowance is currently £1,000 per year for basic and nil rate taxpayers, £500 per year for higher rate taxpayers and nil for additional rate taxpayers. For interest and interest distributions received in excess of the savings allowance the income tax rates are currently 20 per cent. (basic rate), 40 per cent. (higher rate), and 45 per cent. (additional rate).

Non-UK residents will not be subject to any UK withholding tax on interest distributions. They may be taxed differently in their own jurisdiction or the distributions may be treated as dividends. Non-residents should confirm their position in their own jurisdiction.

## 2.2 Dividends – companies

The statements in the following three paragraphs do not apply in respect of interest distributions.

A UK resident corporate Shareholder will be subject to UK corporation tax on the gross amount of any dividends paid by the Company, unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009.

It is anticipated that dividends paid on the Shares to UK resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes. Such Shareholders, however, are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, they will be subject to corporation tax, currently at a UK corporation tax rate of 19 per cent.

The Company will not be required to withhold tax at source when paying a dividend to corporations.

If the Company pays interest distributions then a UK resident corporate Shareholder should treat such distributions as if it were interest on a creditor loan relationship according to the UK loan relationship rules (and subject to UK corporation tax at the current rate of 19 per cent.).

Non-UK residents will not be subject to any UK withholding tax on interest distributions. They may be taxed differently in their own jurisdiction or the distributions may be treated as dividends. Non-residents should confirm the position in their own jurisdiction.



## 2.3 Tax on chargeable gains

A disposal of Shares (including a disposal on a winding up of the Company) by a UK resident Shareholder may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

UK-resident and domiciled individual Shareholders have an annual exemption for capital gains tax purposes, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £12,300 for the tax year 2020/2021. For such individual Shareholders, capital gains tax will be chargeable on a disposal of Shares at the applicable rate (the current rate being 10 per cent. for gains falling within the basic rate band or 20 per cent. for higher or additional rate gains).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a rate of 19 per cent. on chargeable gains arising on a disposal of their Shares).

## 3. ISAs and SIPPs

Shares issued by the Company should be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2020/2021).

Investments held in ISAs will be free of UK tax on both capital gains and income.

Shares should be eligible for inclusion in a self-invested personal pension ("**SIPP**") or a small self-administered scheme ("**SSAS**"), subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

Individuals wishing to invest in Shares through an ISA, SSAS or SIPP should contact their professional advisers regarding their eligibility.

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

The issue of Ordinary Shares and/or C Shares under the Issue and the Placing Programme (whether in certificated form or not) will not give rise to stamp duty or SDRT.

Subsequent transfers of Shares will generally incur a stamp duty (or SDRT for Shares held through CREST) charge for the buyer of 0.5 per cent. of the transaction value (rounded up to the nearest £5 in the case of stamp duty).

Subject to an exemption for transfers where the value of the consideration for the transfer does not exceed £1,000 and the instrument is certified appropriately, UK stamp duty will, in principle, be payable on any instrument of transfer of the Shares that is executed in the United Kingdom or that relates to any property situated, or any matter or thing done or to be done, in the United Kingdom. The stamp duty will be chargeable at the rate of 0.5 per cent. on the value of the consideration paid for the transfer, issue or grant and rounded to the nearest £5 (except where the transfer is made between "connected companies" (as defined in section 1122 of Corporation Tax Act 2010), in which case the stamp duty would be chargeable on the market value of the shares at the time of the transfer, if higher than the consideration paid).

Deposits into CREST (where there is no transfer of beneficial owner or consideration paid) will generally not be subject to SDRT or stamp duty.

Paperless transfers of Shares, such as those occurring within CREST, are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system. The charge is generally borne by the purchaser. Under the CREST system, no stamp duty or SDRT will arise on a transfer of Shares into the system unless such a transfer is made for a consideration in money or money's worth, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise.

Special rules apply where Shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service, under which SDRT or stamp duty may be charged at a rate of 1.5 per cent., with subsequent transfers within the clearance service or transfers of depositary receipts then being free



from SDRT or stamp duty. HMRC accept that this charge is in breach of EU law so far as it applies to new issues of shares or transfers that are an integral part of a share issue, and it was confirmed in the Autumn 2017 Budget that the Government intend to continue this approach following Brexit. HMRC's published view is that the 1.5 per cent. SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service or depositary receipt arrangement, although this has been disputed. Further litigation indicates that certain transfers of legal title to clearance services in connection with listing, but not integral to a new issue, are also not chargeable. In view of the continuing uncertainty, specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or stamp duty reserve tax charge in any circumstances.

## **5. Reporting requirements**

Under legislation implementing the UK's obligations under various intergovernmental agreements relating to the automatic exchange of information in order to combat tax evasion and to improve international tax compliance (including but not limited to agreements relating to CRS, but not including FATCA as the Company will be listed) the Company may be required to collect and report information about Shareholders and their investments to HMRC, including information to verify their identity and tax residence. When requested to do so by the Company or its agent, Shareholders must provide information to be passed on to HMRC, and, by them, to any relevant overseas tax authorities.

On request from HMRC the Company must provide details of interest distributions and recipients.

## PART 12: GENERAL INFORMATION

### 1. Responsibility

The Company, whose registered office appears in paragraph 2.1.2 of this Part 12 (*General Information*), and the Directors accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. All of the Directors accept responsibility accordingly. The Investment Adviser accepts responsibility for Part 5 (Market Background), Part 6 (Investment Opportunity and Investment Approach), Part 8 (Enhanced Pipeline Assets and Further Pipeline Assets) and sections 3 and 6 of Part 7 (The Company) (together the “**Investment Adviser Sections**”) for the purposes of Prospectus Regulation Rule 5.3.2(2)(f). To the best of the knowledge of the Investment Adviser, Investment Adviser Sections are each in accordance with the facts and make no omission likely to affect their import.

### 2. The Company

#### 2.1 Incorporation

- 2.1.1 The Company was incorporated in England and Wales on 30 October 2020 with registered number 12986255 as a public company limited by shares under the Act. The Company is registered as an investment company under section 833 of the Act. The Company’s LEI is 213800RFHAEF372UU580. The Company has an unlimited life.
- 2.1.2 As a listed investment company, the Company will not be regulated as a collective investment scheme by the FCA. However, from Initial Admission, the Ordinary Shares will be admitted to listing on the premium segment of the Official List and to trading on the Main Market. The principal legislation under which the Company operates is the Act. The Company will also be subject to the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Takeover Code, the Market Abuse Regulation and the rules of the London Stock Exchange. The Company is domiciled in England and Wales. The Company is an alternative investment fund pursuant to the AIFM Rules.
- 2.1.3 The address of the registered office and principal place of business of the Company is 6th Floor, Bastion House, 140 London Wall, London EC2Y 5DN, with telephone number +44 (0)20 3697 5353 and email address ukfundscosec@apexfs.com.
- 2.1.4 The Company has no employees and most of its day-to-day activities are delegated to third parties.
- 2.1.5 The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of Chapter 4 of Part 24 of the CTA and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the key conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:
  - 2.1.5.1 all or substantially all of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
  - 2.1.5.2 the Company is not a close company at any time during the accounting period for which approval is sought;
  - 2.1.5.3 the Company is resident in the UK throughout that accounting period;
  - 2.1.5.4 the Company’s ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period; and
  - 2.1.5.5 the Company must not retain in respect of the accounting period an amount greater than the higher of: (i) 15 per cent. of its income for the period; and (ii) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law.

However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (i) and (ii) above, it may retain an amount equal to the amount of such losses.

## 2.2 Financial information

2.2.1 As at the date of this Prospectus, the Company has not commenced operations and no financial statements in respect of the Company have been made up.

2.2.2 The Company has no subsidiary or parent undertakings, associated companies and neither owns nor leases any premises.

## 3. Share capital

3.1 On incorporation, the issued share capital of the Company was £0.01 represented by one Ordinary Share and £50,000 represented by 50,000 Management Shares of nominal value of £1.00 each, which were subscribed for by Victory Hill Capital Advisors LLP.

3.2 Set out below is the issued share capital of the Company as at the date of this Prospectus:

	<b>Nominal value (£)</b>	<b>Number</b>
Ordinary Share	0.01	1
Management Shares	50,000	50,000

The Ordinary Share is fully paid up and will be transferred to a placee under the Initial Placing. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under Section 761 of the Act, on 30 October 2020, 50,000 Management Shares were allotted to Victory Hill Capital Advisors LLP. The Management Shares are fully paid up and will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue.

3.3 Set out below is the issued share capital of the Company as it will be immediately following the Initial Issue (assuming that the Initial Issue is subscribed as to £400 million):

	<b>Nominal value (£)</b>	<b>Number</b>
Ordinary Shares	£4,000,000	400,000,000

All Ordinary Shares will be fully paid.

3.4 By ordinary and special resolutions of Victory Hill Capital Advisors LLP passed on 5 January 2021:

3.4.1 the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £4 million pursuant to the Initial Issue, such authority to expire immediately following Initial Admission, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired;

3.4.2 the Directors were generally empowered (pursuant to sections 570 of the Act) to allot Ordinary Shares pursuant to the authority referred to in paragraph 3.4.1 above as if section 561 of the Act did not apply to any such allotment, such power to expire immediately following Initial Admission, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power had not expired;

- 3.4.3 the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares and/or C Shares up to an aggregate nominal amount of £6 million, following Initial Admission, provided that such number of Ordinary Shares (including New Ordinary Shares) and C Shares issued pursuant to the Initial Issue and the Placing Programme may not exceed 600 million Shares in aggregate, such authority to expire at the conclusion of the fifth AGM of the Company, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if such authority had not expired;
- 3.4.4 the Directors were generally empowered (pursuant to section 570 and 573 of the Act) to allot Ordinary Shares and/or C Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in paragraph 3.4.3 above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire at the conclusion of the fifth AGM of the Company, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or an agreement as if such power had not expired;
- 3.4.5 the Company was authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares, provided that the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the issued Ordinary Shares immediately following Initial Admission. The minimum price which may be paid for an Ordinary Share is £0.01. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of: (a) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made; and (b) that stipulated by the regulatory technical standards adopted by the EU pursuant to the Market Abuse Regulation from time to time. Such authority will expire on the earlier of the conclusion of the first AGM of the Company and 4 July 2022, save that the Company may contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase its Ordinary Shares in pursuance of such contract;
- 3.4.6 conditional upon Initial Admission and the redemption of the Management Shares, the amount standing to the credit of the share premium account of the Company and the amount standing to the credit of the capital redemption reserve of the Company be cancelled;
- 3.4.7 the Directors were authorised to declare and pay all dividends of the company as interim dividends and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval;
- 3.4.8 the Articles of Association were adopted;
- 3.4.9 the Company was authorised to call a General Meeting other than an AGM on not less than 14 clear days' notice; and
- 3.4.10 the Directors were generally and unconditionally authorised to exercise the power conferred on them to offer holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of dividends declared, made or paid during the period starting with the date of this resolution and ending at the conclusion of the third AGM of the Company following the date of this resolution and shall be permitted to do all acts and things required or permitted to be done in accordance with the Articles in connection therewith.

- 3.5 The provisions of section 561 of the Act (which, to the extent not disapplied pursuant to section 570 or section 573 of the Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash) shall apply to any unissued share capital of the Company, except to the extent disapplied by the resolutions referred to in paragraphs 3.4.2 and 3.4.4 above.
- 3.6 The Directors are entitled to exercise all powers of the Company to allot Shares in the Company under the Articles and are expected to resolve to do so prior to Initial Admission in respect of the Ordinary Shares to be issued pursuant to the Initial Issue.
- 3.7 As at the date of this Prospectus:
- 3.7.1 no subscriptions, issues or options are to be given by the Company, or are already existing, in respect of any securities of the Company, including any that have a prior right over the Ordinary Shares to a distribution of the profits or assets of the Company;
  - 3.7.2 no shares which do not represent capital have been issued by the Company and remain outstanding;
  - 3.7.3 no shares are held by or on behalf of the Company in treasury or otherwise;
  - 3.7.4 no convertible securities, exchangeable securities or securities with warrants have been issued by the Company and remain outstanding; and
  - 3.7.5 save in connection with the Initial Issue there are no acquisition rights and/or obligations over any of the Company's authorised but unissued capital and no undertakings to increase the Company's capital.
- 3.8 Since the Company's incorporation, save for the Ordinary Share and the Management Shares issued to Victory Hill Capital Advisors LLP referred to in paragraph 3.1 of this Part 12 (General Information), no share or loan capital of the Company has been issued or, save in connection with the Initial Issue, agreed to be issued.

#### **4. Articles of Association**

A summary of the main provisions of the Articles is set out below.

- 4.1 **Objects**
- The Articles state that the Company's objects are unrestricted but shall include the object to carry on business as an investment trust.
- 4.2 **Variation of rights**
- Subject to the provisions of the Act, if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. At every such separate General Meeting the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum). At such separate General Meeting, any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him.
- 4.3 **Alteration of share capital**
- The Company may by ordinary resolution:
- 4.3.1 consolidate and divide all or any of its share capital into shares of larger nominal value than is fixed by its constitution or was fixed by the resolution creating the existing shares;
  - 4.3.2 sub-divide its existing shares, or any of them, into shares of smaller nominal value than its existing shares; and

4.3.3 determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, be given a preference, advantage, restriction or disadvantage as regards dividends, capital or voting.

#### 4.4 Issue of shares

Subject to the provisions of the Act and without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or, if the Company has not so determined, as the Directors may determine).

#### 4.5 Dividends

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Shareholders but no dividends shall exceed the amount recommended by the Directors. The Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Subject to the Act and the rights of persons (if any) entitled to shares with preferential or special rights as to dividend, all dividends shall be paid *pro rata* according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets.

The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of shares the right to elect to receive shares, credited as fully paid, instead of the whole or some part of any dividend specified by the ordinary resolution.

#### 4.6 Voting rights

Subject to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person has one vote, every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote and every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to. On a poll every Shareholder (whether present in person or by proxy or by corporate representative) has one vote for every share of which he or she is the holder. A Shareholder entitled to more than one vote need not, if he or she votes, use all his or her votes or cast all the votes he or she uses in the same way. In the case of joint holders, the vote of the person whose name appears before the names of the other joint holder(s) on the Register in respect of the share and who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders.

No Shareholder shall have any right to vote at any General Meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

#### 4.7 Transfer of shares

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.



The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any Share in certificated form or uncertificated form (subject to the Articles) which is not fully paid or on which the Company has a lien provided that this would not prevent dealings in the Shares of that class from taking place on an open and proper basis on the London Stock Exchange.

In addition, the Board may refuse to register a transfer of Shares if (i) in the case of certificated Shares (a) it is in respect of more than one class of Shares, (b) it is in favour of more than four joint transferees or (c) it is delivered for registration to the registered office of the Company or such other place as the Board may decide and is not accompanied by the certificate for the Shares to which it relates and such other evidence of title as the Board may reasonably require.

The Board may decline to register a transfer of an uncertificated share which is traded through the CREST UK system in accordance with the CREST Regulations where, in the case of a transfer to joint holders, the number of joint holders to whom uncertificated shares is to be transferred exceeds four.

If the Directors refuse to register or authorise the registration of a transfer of a share, they shall send notice of refusal to the transferee together with reasons for the refusal as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company or its registrar.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

#### 4.8 Distribution of assets on a winding-up

If the Company is wound up, with the sanction of a special resolution, the liquidator may divide among the Shareholders in specie or kind the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he or she may determine, but no Shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

#### 4.9 Restrictions on rights: failure to respond to a Section 793 notice

If a Shareholder, or any other person appearing to be interested in shares held by that Shareholder, fails to provide the information requested in a notice given to him under section 793 of the Act by the Company in relation his or her interest in shares (the “**Default Shares**”) within the period of compliance specified in the notice (being not less than 14 days from the date of the service of the notice) and where the Default Shares represent at least 0.25 per cent. of their class, sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any General Meeting or any separate meeting of the holders of any class or on any poll and, where the Default Shares represent at least 0.25 per cent. of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares.

#### 4.10 Untraced Shareholders

Subject to various notice requirements, the Company may sell any of a Shareholder's shares if, during a period of 12 years, at least three dividends on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant has been effected and no communication has been received by the Company from the Shareholder or person concerned.

#### 4.11 Appointment of Directors

Unless the Company determines otherwise by ordinary resolution, the Company must have not less than two and not more than ten Directors.

Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or

as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next AGM and shall then be eligible for reappointment.

At each annual general meeting all the directors will retire from office and be eligible for re-election.

A Director who retires at an AGM may, if willing to continue to act, be elected or re-elected at that meeting. If he or she is elected or re-elected he or she is treated as continuing in office throughout. If he or she is not elected or re-elected, he or she shall remain in office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone in his or her place.

The office of a Director shall be vacated:

- 4.11.1 if he or she resigns his or her office by giving written notice signed by him sent to or deposited at the Company's registered office or tendered at a meeting of the Board;
- 4.11.2 if a registered medical practitioner who is treating him gives a written opinion to the Company that he or she has become mentally or physically incapable of acting as a director and may remain so for more than 3 months;
- 4.11.3 he or she is suffering from mental or physical ill health and the Directors resolve at a meeting of the Directors that his or her office be vacated;
- 4.11.4 if he or she absents himself from meetings of the Board for a consecutive period of 6 months without permission of the Directors and the Board resolves that his or her office shall be vacated;
- 4.11.5 if he or she becomes bankrupt or applies for an interim order pursuant to section 253 of the Insolvency Act 1986 or enters into any voluntary arrangement with within the definition contained in that section or has an interim receiver appointed under section 286 of the Act;
- 4.11.6 if he or she is prohibited by law from being a Director or ceases to be a Director by the Act;
- 4.11.7 if he or she is removed from office by written notice signed by all of the other Directors; or
- 4.11.8 if the Company by ordinary resolution shall declare that he or she shall cease to be a Director.

#### 4.12 Powers of Directors

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by ordinary resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

#### 4.13 Borrowings

The Board on behalf of the Company may exercise all the powers of the Company to borrow or raise money, to mortgage or charge its undertaking, property, assets and uncalled capital and to issue debentures and other securities, and to give security whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### 4.14 Voting at board meetings

No business shall be transacted at any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he or she is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the

meeting. An alternate Director who is not himself a Director shall, if his or her appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote.

#### 4.15 Restrictions on voting

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he or she has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his or her interest arises only because the case falls within certain limited categories specified in the Articles.

#### 4.16 Directors' interests

Subject to the provisions of the Statutes and provided that the Director has disclosed to the other Directors the nature of any interest of his or her, a Director, notwithstanding his or her office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

#### 4.17 Indemnity

Subject to the provisions of the Statutes, the Company may indemnify any person who is a director, alternate director, former director, secretary or other officer of the Company (other than an auditor) of the Company, against any liability whether in connection with any negligence, default, breach of duty or breach of trust by him in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director of the Company or any associated company. The Directors may purchase and maintain, at the cost of the Company, insurance for any person who is a director, alternate director, former director, secretary, or other officer of the Company or an associated company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as director, alternate director, secretary or officer.

#### 4.18 General meetings

In the case of the AGM, twenty-one clear days' notice at the least shall be given to all the members and to the auditors. All other General Meetings shall also be convened by not less than fourteen clear days' notice in writing to all the members.

No business other than the appointment of the chair of the meeting shall be transacted at any meeting unless a quorum is present. One person where there is only a single member of the Company and two persons where there is more than one member of the Company entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder (including for this purpose two persons who are proxies or corporate representatives of the same Shareholder), shall be a quorum.

A Shareholder is entitled to appoint another person as his or her proxy to exercise all or any of or her rights to attend and to speak and vote at a meeting of the Company. A Shareholder 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. Subject to the provisions of the Act, any corporation (other than the Company itself) which is a Shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not prevent a Shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at General Meetings and at any separate meeting of the holders of any class of shares, whether or not they are Shareholders.

A poll on a resolution may be demanded at a General Meeting before or on the declaration of the result of the show of hands by the chairmen or those members entitled under the Act to demand a poll.

#### 4.19 C Shares and Deferred Shares

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their conversion are summarised below.

4.19.1 The following definitions apply for the purposes of this paragraph 4.19 only:

**“Calculation Date”** means the earliest of the:

- (a) close of business on the date to be determined by the Directors occurring not more than 10 Business Days after the day on which the AIFM and Victory Hill shall have given notice to the Directors that at least 90 per cent. of the Net Proceeds (or such other percentage as the Directors, the AIFM and Victory Hill may agree) shall have been invested; or
- (b) close of business on the date falling 12 calendar months after the allotment of the C Shares or if such a date is not a Business Day the next following Business Day; or
- (c) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

**“Conversion”** means conversion of the C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph 4.19.7;

**“Conversion Date”** means the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date;

**“Conversion Ratio”** is the ratio of the net asset value per C Share to the net asset value per Ordinary Share, which is calculated as:

$$\text{Conversion Ratio} = \frac{A}{B}$$

$$A = \frac{C - D}{E}$$

$$B = \frac{F - C - I - G + D + J}{H}$$

Where:

**C** is the aggregate of:

- (a) the value of the investments of the Company attributable to the C Shares of the relevant class, calculated by reference to the Directors’ belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and
- (b) the amount which, in the Directors’ opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the relevant class of C Shares (excluding the investments valued under (i) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time;

**D** is the amount (to the extent not otherwise deducted from the assets attributable to the relevant class of C Shares) which, in the Directors’ opinion, fairly reflects the

amount of the liabilities of the Company attributable to the relevant class of C Shares on the Calculation Date (including the amounts of any declared but unpaid dividends in respect of such Shares);

**E** is the number of C Shares of the relevant class in issue on the Calculation Date;

**F** is the aggregate of:

- (a) the value of all the investments of the Company, calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and
- (b) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (i) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time;

**G** is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date (including the amounts of any declared but unpaid dividends);

**H** is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury);

**I** is the aggregate of:

- (c) the value of the investments of the Company attributable to all other class(es) of C Shares in issue other than the class of C Shares as referred to in C above (the "**Other Class(es) of C Shares**"), calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and
- (d) the amount which, the Directors' opinion, fairly reflect, on the Calculation Date, the value of the current assets of the Company attributable to the Other Class(es) of C Shares (excluding the investments valued under (i) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time; and

**J** is the amount (to the extent not otherwise deducted from the assets attributable to the Other Class(es) of C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the Other Class(es) of C Shares on the Calculation Date,

provided that the Directors shall make such adjustments to the value or amount of A and B as the Auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the relevant class of C Shares and/or to the reasons for the issue of the relevant class of C Shares;

**"Deferred Shares"** means deferred shares of £0.001 each in the capital of the Company arising on Conversion, which have limited rights to capital and income;

**"Existing Ordinary Shares"** means the Ordinary Shares in issue immediately prior to Conversion;

**"Force Majeure Circumstances"** means (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or

desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any General Meeting at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

**“Net Proceeds”** means the net cash proceeds of the issue of the C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company).

References to ordinary shareholders, C Shareholders and deferred shareholders should be construed as references to holders for the time being of Ordinary Shares, C Shares and Deferred Shares respectively.

4.19.2 The holders of the Ordinary Shares, the Management Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:

- (e) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative annual dividend at a fixed rate of one per cent. of the nominal amount thereof, the first such dividend (adjusted *pro rata temporis*) (the **“Deferred Dividend”**) being payable on the date six months after the Conversion Date on which such Deferred Shares were created (the **“Relevant Conversion Date”**) and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed repurchase of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;
- (f) the C Shareholders shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the C Shares and from income received and accrued which is attributable to the C Shares;
- (g) a holder of Management Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend of 0.01 per cent. per annum on the nominal amount of the Management Shares held by him, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 days of the end of such period;
- (h) the Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;
- (i) the Ordinary Shares into which C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions made or declared by reference to a record date falling after the Calculation Date; and
- (j) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to such C Shares (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).



4.19.3 The holders of the Ordinary Shares, the Management Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:

- (k) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when any C Shares are for the time being in issue and prior to the Conversion Date relating to such C Shares, be applied (after having deducted therefrom an amount equivalent to (C-D) in respect of each class of C Shares in issue using the methods of calculation of C and D given in the definition of Conversion Ratio set out above save that the “**Calculation Date**” shall be such date as the liquidator may determine, which amount attributable to each class shall be applied amongst the C Shareholders of such class *pro rata* according to the nominal capital paid up on their holdings of C Shares), first, amongst the holders of Management Shares *pro rata* according to the nominal capital paid up on their holdings of Management Shares and, second, amongst the existing holders of Ordinary Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares provided however that the holders of the Management Shares shall only receive an amount up to the capital paid up on such Management Shares and the Management Shares shall not confer the right to participate in any surplus remaining following payment of such amount; and
- (l) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares are for the time being in issue be applied as follows:
  - (i) first, if there are Deferred Shares in issue, in paying to the deferred shareholders £0.001 in aggregate in respect of every 1,000,000 Deferred Shares (or part thereof) of which they are respectively the holders; and
  - (ii) secondly, the surplus shall be divided, first, amongst the holders of Management Shares *pro rata* according to the nominal capital paid up on their holdings of Management Shares and, second, amongst the holders of Ordinary Shares *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares provided however that the holders of the Management Shares shall only receive an amount up to the capital paid up on such Management Shares and the Management Shares shall not confer the right to participate in any surplus remaining following payment of such amount.

4.19.4 As regards voting:

- (m) The Ordinary Shares and the C Shares shall carry the right to receive notice of and to attend and vote at any General Meeting. The voting rights of holders of C Shares will be the same as those applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and Existing Ordinary Shares were a single class.
- (n) The Deferred Shares and the Management Shares shall not carry any right to receive notice of nor to attend or vote at any General Meeting unless, in the case of the Management Shares, no other shares are in issue at that time.

4.19.5 The following shall apply to the Deferred Shares:

- (o) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Ordinary Shares arising on Conversion) may be repurchased by the Company in accordance with the terms set out herein;

- (p) immediately upon Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of that Conversion for an aggregate consideration of £0.001 for every 1,000,000 Deferred Shares and the notice referred to in paragraph 4.19.7 below shall be deemed to constitute notice to each C Shareholder (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the Deferred Shares shall be repurchased immediately upon Conversion for an aggregate consideration of £0.001 for each holding of 1,000,000 Deferred Shares. On repurchase, each Deferred Share shall be treated as cancelled in accordance with section 706 of the Act without further resolution or consent; and
  - (q) the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the repurchase moneys in respect of such Deferred Shares.
- 4.19.6 For so long as any C Shares are for the time being in issue, until Conversion of such C Shares and without prejudice to its obligations under applicable laws the Company shall:
- (r) procure that the Company's records, bank and custody accounts shall be operated so that the assets attributable to the C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to each class of C Shares in issue;
  - (s) allocate to the assets attributable to the C Shares such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to such C Shares (both dates inclusive) as the Directors consider to be attributable to the C Shares; and
  - (t) give or procure the giving of appropriate instructions to the Investment Adviser to manage the Company's assets so that such undertakings can be complied with by the Company.
- 4.19.7 A class of C Shares for the time being in issue shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the Conversion Date in accordance with the following provisions of this paragraph 4.19.7:
- (u) the Directors shall procure that as soon as reasonably practicable and in any event within one month of the Calculation Date:
    - (i) the Conversion Ratio as at the Calculation Date and the numbers of Ordinary Shares and Deferred Shares to which each C Shareholder shall be entitled on Conversion shall be calculated; and
    - (ii) the Auditors shall be requested to confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of "J" in paragraph 4.19.1.
  - (v) The Directors shall procure that, as soon as practicable following such confirmation and in any event within one month of the Calculation Date, a notice is sent to each C Shareholder advising such C Shareholder of the

Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which such C Shareholder will be entitled on Conversion.

- (w) On conversion each C Share shall automatically subdivide into 10 conversion shares of £0.001 each and such conversion shares of £0.001 each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
  - (i) the aggregate number of Ordinary Shares into which the same number of conversion shares of £0.001 each are converted equals the number of C Shares in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole Ordinary Share); and
  - (ii) each conversion share of £0.001 which does not so convert into an Ordinary Share shall convert into one Deferred Share.
- (x) The Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C Shareholders *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- (y) Forthwith upon Conversion, the share certificates relating to the C Shares shall be cancelled and the Company shall issue to each former C Shareholder new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which or she is entitled. Share certificates in respect of the Deferred Shares will not be issued.
- (z) The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

4.19.8 Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to the Existing Ordinary Shares as a class and to the C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Company's Articles:

- (aa) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and
- (bb) no resolution of the Company shall be passed to wind-up the Company.

4.19.9 For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Ordinary Shares and C Shares, as described above, shall not be required in respect of:

- (cc) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Ordinary Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Ordinary Shares by the issue of such further Ordinary Shares); or
- (dd) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Act) in accordance with sections 727 and 731 of the Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).

#### 4.20 Continuation Votes

Shareholders will have the opportunity to vote on the continuation of the Company at the annual general meeting of the Company to be held in 2026 and at every fifth annual general meeting of the Company thereafter, and otherwise if 75 per cent. of the Net Proceeds have not been invested or contractually committed to investments within 12 months of the date of Initial Admission. If any such ordinary resolution is not passed, the Directors shall draw up proposals for the voluntary liquidation, unitisation, reorganisation or reconstruction of the Company for consideration by the Shareholders at a General Meeting to be convened by the Directors for a date not more than 6 months after the date of the meeting at which such ordinary resolution was not passed.

### 5. The Takeover Code

#### 5.1 Mandatory bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if:

- 5.1.1 a person acquires an interest in shares which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- 5.1.2 a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code, where a shareholder has acquired shares at a time when it had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The proposed buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. Prior to the Board implementing any share buyback the Board will seek to identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 2 of Rule 37. However, neither the Company, nor any of the Directors, nor the AIFM, nor Victory Hill will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

#### 5.2 Compulsory acquisition

Under sections 974 to 991 of the Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

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

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

### 5.3 Prohibition on frustrating actions

Pursuant to Rule 21.1 of the Takeover Code, where the offeree board has received an approach or has reason to believe an offer might be imminent, the board of the offeree company must not, without shareholder consent first being obtained in general meeting:

- 5.3.1 take any action which may result in any offer or *bona fide* possible offer being frustrated; or the shareholders of the offeree company being denied the opportunity to decide on the merits of any offer or *bona fide* possible offer; or
- 5.3.2 amongst other matters, issue any shares, or issue or grant any options in respect of unissued shares, or create any securities carrying rights of conversion into shares, or sell or dispose of any asset of a material amount, or enter into contracts otherwise than in the ordinary course of business.

## 6. NAV calculation

The Administrator is responsible for calculating the NAV per Share, which will be based on valuations provided by the Investment Adviser or by an Independent Valuer if one is appointed by the Board and will be presented for approval by the AIFM to the Directors. The unaudited NAV per Share will be calculated on a quarterly basis, as at 31 March, 30 June, 30 September and 31 December each year by the Administrator and will be announced through a Regulatory Information Service as soon as practicable after the end of the relevant period. The NAV per Share will be calculated in accordance with paragraph 20.4 of Part 7 (The Company) of this Prospectus. Valuations of NAV per Share will be suspended only in any circumstances in which the underlying data necessary to value the investments of the Company cannot readily or without undue expenditure be obtained or for regulatory reasons. Any such suspension will be announced through a Regulatory Information Service.

## 7. Interests of Directors, major Shareholders and related party transactions

### 7.1 Directors' interests

- 7.1.1 As at the date of this Prospectus, none of the Directors nor their immediate families and related trusts and (insofar as is known to them or could with reasonable diligence be ascertained by them) persons connected (within the meaning of section 96B of FSMA (as amended by the Financial Services and Markets Act 2000 (Amendment) Regulations 2009)) with the Directors had any interests in the share capital of the Company.
- 7.1.2 No Director of the Company has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company which was effected by the Company since its incorporation.
- 7.1.3 No share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.
- 7.1.4 There are no outstanding loans granted by the Company to any of the Directors nor is any guarantee provided by the Company for the benefit of any of the Directors.

The Directors intend to subscribe for the following numbers of Ordinary Shares under the Initial Placing:

<b>Director</b>	<b>Ordinary Shares</b>
Bernard Bulkin OBE	10,000
Margaret Stephens	10,000
Richard Horlick	10,000
Louise Kingham OBE	5,000
<b>Total</b>	<b>35,000</b>

## 7.2 Directors' contracts with the Company

All the Directors of the Company are non-executive. It is the Board's policy that none of the Directors has a service contract. The terms of their appointment provide that a Director may be removed without notice and that no compensation will be due on leaving office.

Conditional upon Initial Admission, the Directors will be entitled to aggregate annual remuneration (excluding expenses) payable and benefits in kind granted as follows:

<b>Director</b>	<b>Fees</b>
Bernard Bulkin OBE	£70,000
Margaret Stephens	£50,000
Richard Horlick	£50,000
Louise Kingham OBE	£50,000
<b>Total</b>	<b>£220,000</b>

The aggregate amount of remuneration (excluding expenses) payable and benefits in kind granted to the Directors for the current financial period ending 31 December 2021 is estimated to be approximately £220,000.

The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. There is no amount set aside or accrued by the Company in respect of contingent or deferred compensation payments or any benefits in kind payable to the Directors.

Each of the Directors is engaged under a letter of appointment with the Company and does not have a service contract with the Company. Under the terms of their appointment, each Director is required to retire and be subject to election at the first AGM after their appointment and at every AGM held thereafter.

## 7.3 Directors' other interests

Over the five years preceding the date hereof, the Directors have held the following directorships (apart from their directorships of the Company) and/or partnerships:

	<b>Current directorships/ partnerships</b>	<b>Past directorships/ partnerships</b>
Bernard Bulkin OBE	ATN International Inc. Arq Ltd ISMP Ltd	Ludgate Investments Ltd Ludgate Capital Ltd
Margaret Stephens	AVI Japan Opportunity Trust Plc Balloburn Ltd Nuclear Liability Fund Limited	KPMG LLP



	<b>Current directorships/ partnerships</b>	<b>Past directorships/ partnerships</b>
Richard Horlick	BH Macro Plc CCLA investment management CCLA fund managers Irish Diaspora Loan Fund Limited Global Asset Tracking Ltd CBE Capital LLP	Sensify (UK) Holdings Ltd Sensify Solutions Ltd Sensify (IP) Ltd C Track ( US) Holdings Ltd C Track ( IP) Ltd
Louise Kingham OBE	EST Holdings Ltd PGC Conferences Ltd EI Services Ltd Institute of Petroleum ltd Institute of Energy Ltd	N/A

As at the date of this Prospectus, there are no potential conflicts of interest between any of the Directors' duties to the Company and their private interests and/or other duties. There are no lock-up provisions regarding the disposal by any of the Directors of any Ordinary Shares.

7.4 The Directors in the five years before the date of this Prospectus:

- 7.4.1 do not have any convictions in relation to fraudulent offences;
- 7.4.2 have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- 7.4.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

The Company shall maintain directors' and officers' liability insurance on behalf of the Company at the expense of the Company.

7.5 Major Shareholders

The Company shall issue a notice requiring disclosure of an interest in shares of 3 per cent. or more of the issued share capital of the Company and the Disclosure Guidance and Transparency Rules provide that certain persons (including shareholders) must notify the Company if the proportion of the Company's voting rights which they then hold directly or indirectly as a shareholder or through a direct or indirect holding of certain financial instruments reaches, exceeds or falls below thresholds of 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent. and 10 per cent. and each 1 per cent. thereafter up to 100 per cent.

As at the date of this Prospectus there are no persons known to the Company who, directly or indirectly, will be interested in 3 per cent. or more of the Company's issued share capital or voting rights on Initial Admission.

As at the date of this Prospectus the Company is not aware of any person who will directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangement, the operation of which may at a subsequent date result in a change of control of the Company.

Major Shareholders will not have any different voting rights from other Shareholders.

7.6 Related party transactions

As at the date of this Prospectus, save for the Directors' appointment letters and the AIFM Agreement the Company is not a party to, nor has any interest in, any related party

transaction (as defined in the standards adopted according to the Regulation (EC) No. 1606/2002).

The Directors have agreed to invest approximately £35,000, in aggregate, pursuant to the Initial Issue.

## **8. Material contracts**

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the Company is a party or which contains any provision under which the Company has any obligation or entitlement which is material to it at the date of this Prospectus.

### **8.1 AIFM Agreement and Investment Advisory Agreement**

The Company has entered into the AIFM Agreement with the AIFM under which the AIFM has been appointed to act as the Company's alternative investment fund manager with overall responsibility for the risk management and portfolio management of the Company, providing alternative investment fund manager services and ensuring compliance with the requirements of the AIFM Rules, subject to the overall supervision of the Directors in accordance with the policies laid down by the Directors from time to time and the investment restrictions referred to in the AIFM Agreement.

The AIFM Agreement provides that the Company will pay to the AIFM a fixed monthly fee of £5,000, exclusive of VAT. The Company will also reimburse the AIFM for reasonable expenses properly incurred by the AIFM in the performance of its obligations under the AIFM Agreement.

The AIFM Agreement may be terminated by the Company or the AIFM giving not less than 6 months' written notice.

Either party may terminate the AIFM Agreement by written notice to the other party with immediate effect if an order shall be made or an effective resolution passed for the winding-up of the other party (save for a winding-up for the purpose of and followed by an amalgamation or reconstruction).

The Company may, in addition, terminate the AIFM Agreement by written notice with immediate effect in certain prescribed circumstances, including if: (i) the AIFM ceases to be authorised as an alternative investment fund manager by the FCA; (ii) the AIFM fails to notify the Company of any investigations by the FCA; or (iii) if the AIFM causes the Ordinary Shares to be suspended from trading on the Main Market and the suspension of trading is not lifted or the Ordinary Shares are not admitted to trading on another regulated market within 3 months of the date of that suspension. Under the Investment Advisory Agreement, the AIFM and the Company have appointed Victory Hill to provide advisory and other services, acting as the Appointed Representative of the AIFM.

The Investment Advisory Agreement provides that Victory Hill will be paid an annual fee to be calculated as percentages of the Company's net assets (1 per cent. on the first £250 million of Net Asset Value, 0.9 per cent. on Net Asset Value in excess of £250 million and up to and including £500 million and 0.8 per cent. on Net Asset Value in excess of £500 million exclusive of VAT). This fee shall be payable monthly in arrears. For these purposes "Net Asset Value" shall mean on each day in relation to each class of Shares in issue, the net asset value per Share of that class calculated in accordance with the Company's normal reporting policies from time to time as at that date multiplied by the number of Shares of that class then in issue and excluding, for the avoidance of doubt, any Shares of that class that are held as treasury shares and if no Net Asset Value is calculated for a particular day during the relevant period, the Net Asset Value for that day shall be the most recent Net Asset Value calculated. This fee shall be payable monthly in arrears.

If, in any financial year, the annual fee paid to the Investment Adviser under the Investment Advisory Agreement exceeds:

- 8.1.1 £3.5 million, the Investment Adviser has undertaken to apply 8 per cent. of its fee (net of any applicable taxes), subject to a maximum amount of £400,000 to subscribe for Ordinary Shares, provided that if the Ordinary Shares are trading at a

premium to the prevailing NAV, the Company, to the extent it is authorised to do so, will issue new Ordinary Shares to the Investment Adviser. If, however, the Ordinary Shares are trading at a discount to the prevailing NAV, no new Ordinary Shares will be issued and the Company will instruct its broker to acquire Ordinary Shares to the value of the relevant portion of the net fee; and

- 8.1.2 £2.5 million, the Investment Adviser shall apply 2 per cent. of its fee (net of any applicable taxes), to the payment of a charitable donation to O&C Limited (trading as "Bottletop") or a registered charity aimed at promoting sustainable energy/ the SDGs, as selected by the Investment Adviser, provided that if, following the Investment Adviser's reasonable endeavours, a suitable charity cannot be found, this 2 per cent. portion of the net fee will be applied to the subscription for, or acquisition of Ordinary Shares in accordance with paragraph 8.1.1.

The Investment Advisory Agreement is terminable by the Company or the AIFM on 12 months' written notice, provided that such notice may not be served before the fourth anniversary of Initial Admission.

The Investment Advisory Agreement may be terminated by the Company and the AIFM immediately on written notice if Victory Hill is in material breach of the Investment Advisory Agreement (and where such breach is capable of remedy, it has not been remedied within 30 days of being given notice of the breach), is the subject of insolvency proceedings, if the FCA requires termination, if Victory Hill or any of its associates has caused or is likely to cause material damage to the reputation of the AIFM or the Company, if the AIFM is unable to effectively supervise Victory Hill, if Victory Hill fails to co-operate with the FCA in relation to enquiries regarding the services provided by Victory Hill, if the AIFM or the Company determines that Victory Hill is no longer capable of performing any of its duties, obligations or functions under the Investment Advisory Agreement. The Investment Advisory Agreement may also be terminated by Victory Hill on written notice where the AIFM or the Company is in material breach of the Investment Advisory Agreement (and where such breach is capable of remedy, it has not been remedied within 30 days of being given notice of the breach) or where the AIFM or the Company is insolvent.

Victory Hill shall not be liable for any loss suffered by or occasioned to the AIFM or the Company in connection with the services provided by Victory Hill under the Investment Advisory Agreement, except to the extent that such loss is caused by the fraud, wilful default, negligence, bad faith or any material breach of this Agreement on the part of the Investment Adviser or any of its associates.

The Company shall indemnify Victory Hill and its partners, officers, managers, representatives, employees, agents and legal representatives of any of them against all losses of any kind, including claims by third parties which may be made against Victory Hill and such indemnified persons in connection with their services under the Investment Advisory Agreement, except to the extent that the losses are due to the fraud, negligence, bad faith, wilful default, or material breach of the Investment Advisory Agreement or applicable law of Victory Hill or the relevant indemnified party.

## 8.2 Administration Agreement

The Company is a party to an Administration Agreement with Apex Fund and Corporate Services (UK) Limited dated 5 January 2021 pursuant to which the Administrator provides day-to-day administration of the Company and acts as company secretary and administrator to the Company including maintaining accounts, preparing the annual and half-yearly reports of the Company and calculating the Net Asset Value.

For the provision of administration services under the Administration Agreement, the Administrator is entitled to receive a fee calculated at an annual rate of (i) £60,000 for NAV up to £300 million, plus (ii) 0.02 per cent. on NAV in excess of £300 million and up to £500 million, plus (iii) 0.015 per cent. on NAV in excess of £500 million. The Administrator is also entitled to a company secretarial fee of £60,000 per annum for the provision of certain company secretarial services to the Company.

The Administrator is entitled to additional fees for services provided in connection with the Initial Issue, for providing company secretarial and administration services to any SPEs and

for providing additional services to the Company which are outside the scope of the administration and company secretarial services covered by the administration and company secretarial fees referred to above.

The Company will also reimburse the Administrator for disbursements and reasonable out of pocket expenses properly incurred by the Administrator on behalf of the Company. Fees charged by the Administrator will be subject to VAT as applicable.

The Administration Agreement is for an initial period of one year from the date of Initial Admission, following which it may be terminated by either party serving the other party with six months' written notice, or immediately in certain circumstances, including material and continuing breach and insolvency.

The Administration Agreement contains certain customary undertakings and indemnities by the Company in favour of the Administrator.

### 8.3 Depositary Agreement

The Depositary Agreement between the Company, the AIFM and the Depositary dated 5 January 2021, pursuant to which the Depositary will provide depositary services to the Company in fulfilment of the requirements of the AIFM Rules including services in relation to cash monitoring, verification of ownership of certain assets and general oversight of the Company.

Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee for the provision of depositary services to the Company calculated at an annual rate of (i) 0.02 per cent. on NAV up to £200 million, plus (ii) 0.015 per cent. on NAV in excess of £200 million, subject to a minimum annual fee of £40,000. In addition, the Depositary is entitled to receive a one off set up fee.

In accordance with the terms of the Depositary Agreement, the Depositary may appoint sub-custodians and/or depositories to safekeep the Company's securities. The Depositary must exercise due skill, care and diligence in choosing, appointing and monitoring a sub-custodian in light of applicable law and prevailing rules, practices procedures and circumstances in the relevant market.

The Depositary Agreement is terminable by the Company or the Depositary giving to the other parties not less than six months' written notice, or immediately in certain circumstances, including material and continuing breach or insolvency. In accordance with the AIFM Rules, the Depositary's notice of retirement shall not take effect except upon the appointment of a successor depositary taking effect.

The Depositary Agreement contains certain customary undertakings and indemnities by the Company and the AIFM in favour of the Depositary.

### 8.4 Issue Agreement

In connection with the Initial Issue, the Company, the AIFM, Victory Hill, the Directors and Numis entered into the Issue Agreement on 6 January 2021. The Issue Agreement is conditional on, among other things, Initial Admission taking place on 2 February or such later date (not being later than 8.00 a.m. on 31 March 2021) as the Company and Numis may agree.

The principal terms of the Issue Agreement are as follows:

- 8.4.1 Numis has agreed, as agent of the Company, to use its reasonable endeavours to procure (i) Placees to subscribe for Ordinary Shares under the Initial Placing at the Issue Price; and (ii) Placees to subscribe for New Ordinary Shares and/or C Shares pursuant to Subsequent Placings at the applicable Placing Programme Price. The Initial Placing and the Placing Programme are not being underwritten;
- 8.4.2 the Company has, provided the Issue Agreement becomes unconditional, agreed to pay Numis (i) a base fee in respect of the Initial Issue, which may be increased depending on the amount of the Gross Proceeds; (ii) a fee in respect of Subsequent Issues, which varies depending on the amount of the Gross Proceeds; and (iii) a commission in consideration for its services in relation to the Initial Issue based on the value of Ordinary Shares issued pursuant to the Initial Issue;

- 8.4.3 the Company has agreed to pay all of the properly incurred costs and expenses of and incidental to the Initial Issue and related arrangements together with any applicable VAT;
- 8.4.4 Numis is entitled to retain agents and may pay commission to any or all of those agents out of its own resources;
- 8.4.5 the Company has given certain warranties to Numis as to the accuracy of the information in this Prospectus and as to other matters relating to the Company. Each of the AIFM, Victory Hill and the Directors have also given certain warranties on a several basis to Numis as to certain information to this Prospectus and as to itself;
- 8.4.6 The Company and Victory Hill have each given an indemnity to Numis in respect of any losses or liabilities incurred which arise out of or are in connection with the Initial Issue or Placing Programme, provided that the same will not have been finally judicially determined by a court of competent jurisdiction to have resulted from the fraud, gross negligence or wilful default of such indemnified person or a contravention by such indemnified person of applicable law or regulation or where such indemnity is prohibited by law or legal requirement; and
- 8.4.7 Numis may at any time before Admission terminate the Issue Agreement in certain circumstances, including for breach of the warranties referred to above.

#### 8.5 Registrar's Agreement

The Registrar's Agreement dated 5 January 2021 between the Company and the Registrar whereby the Registrar has agreed to provide registrar services to the Company. The fees payable to the Registrar are based on the maintenance of the register, the number of shareholders and the number of transactions plus properly incurred expenses, subject to an annual fee. The Registrar's Agreement contains certain standard indemnities from the Company in favour of the Registrar and from the Registrar in favour of the Company. The Registrar's liabilities under the Registrar's Agreement are subject to a financial limit.

#### 8.6 Receiving Agent Agreement

The Receiving Agent Agreement is dated 5 January 2021 between the Company and the Receiving Agent whereby the Receiving Agent has agreed to act as Receiving Agent to the Offer for Subscription. The fees payable to the Receiving Agent are based on a fixed project fee plus a fee for the number of applications received. The agreement contains certain standard indemnities from the Company in favour of the Receiving Agent and from the Receiving Agent in favour of the Company. The Receiving Agent's liability under the agreement is subject to a financial limit.

### 9. Litigation

There have been no governmental, legal or arbitration proceedings and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Prospectus which may have, or have had, in the recent past, a significant effect on the financial position or profitability of the Company.

### 10. Significant change in the financial position

As at the date of this Prospectus, there has been no significant change in the financial position of the Company since 30 October 2020, the date of its incorporation.

### 11. Consents and Third party information

The Investment Adviser has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name.

Numis, as sponsor, broker, financial adviser and bookrunner, has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name.



Solid Solutions Associates (UK) Limited, as intermediaries offer adviser, has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name.

Certain information contained in this Prospectus has been sourced from third parties and where such third party information has been referenced in the Prospectus, the source of that information has been disclosed. Such information has been accurately reproduced and, as far as the Company and Victory Hill are able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **12. General**

The Company is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

No application is being made for the Shares to be dealt with in or on any stock exchange or investment exchange other than the London Stock Exchange's main market.

The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

As at the date of the Prospectus the Company has no subsidiaries.

## **13. Auditor**

The auditor of the Company is BDO LLP, at 55 Baker Street, London W1U 7EU. BDO LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

## **14. Working capital**

In the Company's opinion, taking into account the Minimum Net Proceeds, the working capital available to it will be sufficient for its present requirements, that is for at least 12 months following the date of this Prospectus.

## **15. Capitalisation and indebtedness**

Details of capitalisation are set out in paragraph 3 of this Part 12 (*General Information*). As at the date of this Prospectus, the Company had no guaranteed and unguaranteed, secured and unsecured indebtedness, and there have been no material changes to the Company's capitalisation from the date of incorporation to the date of this Prospectus.

## **16. Overseas investors**

If you receive a copy of this Prospectus in any territory other than the United Kingdom you may not treat it as constituting an invitation or offer to you, unless otherwise agreed with the Company in circumstances where the Company is satisfied that this will not breach applicable law and regulation. It is your responsibility, if you are outside the United Kingdom and wish to make an application for Shares, to satisfy yourself that you have fully observed the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom.

Without limiting the above, the Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Australia, the Republic of South Africa, Japan or in the United States except in reliance on, or in a transaction not subject to, the registration requirements under the Securities Act or other relevant legislation. If you subscribe for Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company and its agents that you are not in Canada, Australia, the Republic of South Africa, Japan or the United States. No application will be accepted if it bears an address in Canada, Australia, the Republic of South Africa, Japan or the United States or appears to have been posted from Canada, Australia, the Republic of South Africa, Japan or the United States or otherwise where there is cause to believe you are in Canada, Australia, the Republic of South Africa, Japan or the United States.



## **17. Fair treatment of investors**

The AIFM has established procedures, arrangements and policies to ensure compliance with the principles more particularly described in the AIFM Rules relating to the fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

- 17.1 acting in the best interests of the Company and of the Shareholders;
- 17.2 ensuring that the investment decisions taken for the account of the Company are executed in accordance with the Investment Policy and objective and risk profile;
- 17.3 ensuring that the interests of any group of Shareholders are not placed above the interests of any other group of Shareholders;
- 17.4 ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company;
- 17.5 preventing undue costs being charged to the Company and Shareholders;
- 17.6 taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Shareholders; and
- 17.7 recognising and dealing with complaints fairly.

The AIFM maintains and operates organisational, procedural and administrative arrangements and implements policies and procedures designed to manage actual and potential conflicts of interest.

## **18. AIFM Directive disclosures**

- 18.1 The Company is categorised as an EEA AIF for the purposes of the AIFM Directive and its AIFM is an EEA AIFM. Accordingly, the AIFM is required to make certain disclosures to prospective investors prior to their investment in the Company, in accordance with Article 23 of the AIFM Directive. An explanation of where each of these disclosures may be found in this Prospectus (or of the non-applicability to the Company of certain of these disclosures) is set out in this paragraph 18.
- 18.2 Part 7 (*The Company*) of this Prospectus contains a description of the Investment Policy, strategy and objectives of the Company, the types of assets in which the Company may invest, the techniques it may employ, any applicable investment restrictions and the procedures by which the Company may change its investment strategy or the Investment Policy.
- 18.3 Part 7 (*The Company*) of this Prospectus also contains a description of the circumstances in which the Company may use leverage, the types and sources of leverage permitted, restrictions on the use of leverage and the maximum level of leverage which the Company is permitted to employ. Under the AIFM Directive, the AIFM is required to set an overall leverage limit for each AIF under management which measures the total exposure of the AIF against its net asset value. The AIFM is required to calculate leverage under the two methodologies specified by the Directive, the 'Gross Method' and the 'Commitment Method'. Under the gross method, exposure represents the Company's position after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset.
- 18.4 In accordance with Article 23(5) of AIFMD and FUND 3.2.6R in the FCA Handbook of rules and guidance, the AIFM will ensure that the following is disclosed on a regular basis:
  - 18.4.1 Any changes to the maximum level of leverage which the AIFM may employ on behalf of the Company;
  - 18.4.2 Any right of the reuse of collateral or any guarantee granted under the leveraging arrangement;
  - 18.4.3 The total amount of leverage employed by the Company.

It is intended that these disclosures will be made via the Company's website. The Company will, in addition, notify Shareholders of any such changes, rights or guarantees without undue delay by issuing an announcement via an RIS.

- 18.5 The key risks associated with the investment policy, strategy, objectives and techniques of the Company and with the use of leverage by the Company are contained in Part 1 (*Risk Factors*) of this Prospectus.
- 18.6 The Company is not a fund of funds and so there is no master AIF for the purposes of the AIFM Directive, nor will there be any underlying funds.
- 18.7 A description of the main legal implications of the contractual relationship entered into for the purpose of investment in the Company, including information on jurisdiction and applicable law, is contained in Parts 10 (*Terms and Conditions of Application under the Initial Placing and the Placing Programme*) and 11 (*Terms and Conditions of Application under the Offer for Subscription*) of this Prospectus and in the Intermediaries Booklet. In particular, the Initial Issue and the Placing Programme is governed by English law and subject to the jurisdiction of English courts, the same law and jurisdiction under which the Company is established. The UK has acceded to the Hague Convention on Choice of Courts Agreements 2005 (the "**Hague Convention**") which applies between the EU member states, Montenegro, Denmark, Mexico, Singapore and the UK and provides for the recognition of foreign judgments in respect of contracts which contain an exclusive jurisdiction clause. The Hague Convention does not, however, extend to contracts containing non-exclusive jurisdiction clauses, which typically permit the more dominant party to the contract to sue in the court of their choice while restricting the right of the less dominant party to the courts of a single country. The UK has also applied to rejoin the Lugano Convention 2007 which would permit for the recognition of judgments based on contracts under the laws of member states regardless of whether the contract contains an exclusive or a non-exclusive choice of law clause in the states that are parties to that convention (i.e. EU member states and Iceland, Norway and Switzerland). However, each member of the Lugano Convention (EU, Iceland, Norway and Switzerland) has a veto on the accession of new members and UK accession may not occur.
- 18.8 Details of the identities of the AIFM, Victory Hill, the Depositary, Auditors and other service providers to the Company, their duties to the Company and investors' rights (exercised through the Company) are contained in Part 7 (*The Company*) and in this Part 12 (*General Information*) of this Prospectus.
- 18.9 Absent a direct contractual relationship between a particular Shareholder and the Company and/or any of its service providers, including, without limitation, the AIFM, Victory Hill, the Depositary and the Auditors, Shareholders will have no direct rights against such persons.
- 18.10 The AIFM will cover professional liability risks by way of professional indemnity insurance.
- 18.11 The AIFM and the Depositary are responsible for their own work and there will be no delegation of AIFM's management functions or the Depositary's safekeeping functions, as applicable for the purposes of FUND 3.2.2R(6).
- 18.12 A description of the Company's valuation procedures and of the pricing methodology for valuing assets, which includes the methods that will be used in valuing hard-to-value assets, is contained in Part 7 (*The Company*) of this Prospectus.
- 18.13 The Company is a closed-ended investment company and there are therefore no redemption rights. However, the Shares are to be admitted to listing on the premium segment of the Official List and to trading on the premium segment of the Main Market and will be freely transferable save as described in this Prospectus. As regards liquidity risk management, a description of the discount management mechanisms which may be employed by the Company is contained in Part 7 (*The Company*) of this Prospectus, although it should be noted that the Directors' exercise of these rights is entirely discretionary.
- 18.14 A description of all fees, charges and expenses and of the maximum amounts thereof (to the extent that this can be assessed) which are borne by the Company and thus indirectly by investors is contained in this Part 12 (*General Information*) and Part 7 (*The Company*) of this Prospectus. There are no expenses charged directly to investors by the Company.

- 18.15 As its Shares are to be admitted to listing on the premium segment of the Official List and to trading on the premium segment of the Main Market, the Company will be required to comply with, among other things, the relevant provisions of the Listing Rules, Disclosure Guidance and Transparency Rules and the Takeover Code, all of which operate to ensure a fair treatment of investors. As at the date of this Prospectus, no investor has obtained preferential treatment or the right to obtain preferential treatment.
- 18.16 Since the Company was incorporated on 30 October 2020 and has not yet commenced operations, no financial statements or Net Asset Value figures have been published by the Company. No historical performance information is available as the Company has no operating history.
- 18.17 The procedure and conditions for the issue and sale of Shares is contained in Part 9 (*The Initial Issue (Initial Placing, Offer for Subscription and Intermediaries Offer)*), Part 10 (*Placing Programme*), Part 13 (*Terms and Conditions of Application under the Initial Placing and the Placing Programme*), Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) of this Prospectus and in the Intermediaries Booklet.
- 18.18 The Company has not engaged the services of any prime broker.
- 18.19 The Depositary Agreement prohibits the transfer or reuse by the Depositary of the Company's assets.
- 18.20 The information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive and FUND 3.2.5 and FUND 3.2.6 will be disclosed to investors in the Company's audited annual report.
- 18.21 If there are any material changes to any of the information referred to in this paragraph 18, such changes will be notified in the Company's audited annual report, in accordance with Articles 23 of the AIFM Directive and FUND 3.2.2.

## **19. Availability of Prospectus**

A copy of this Prospectus will be available for inspection at The National Storage Mechanism which is located at <https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism> and for as long as Shares are available for issue under this Prospectus, copies of this Prospectus are available for collection, free of charge from the offices of the Administrator, unless the registered office has been closed as a result of the circumstances surrounding the COVID-19 pandemic. The Prospectus will also be available on the Company's website – [www.vh-gseo.com](http://www.vh-gseo.com).

## **20. Intermediaries**

The Intermediaries authorised at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offer are:

- AJ Bell Securities Limited;
- Equiniti Financial Services Limited;
- Interactive Investor Services Limited; and
- Jarvis Investment Management Limited.

Any new information with respect to financial intermediaries unknown at the date of this Prospectus will be notified via a Regulatory Information Service.

## **21. Documents on display**

Copies of the following documents will be available on the Company's website ([www.vh-gseo.com](http://www.vh-gseo.com)) and for inspection between 9.00 a.m. and 5.00 p.m. on any day (Saturdays, Sundays and public holidays excepted) at the Company's registered office, 6<sup>th</sup> Floor, Bastion House, 140 London Wall, London, EC2Y 5DN, unless the registered office has been closed as a result of the circumstances surrounding the COVID-19 pandemic, from the date of this Prospectus until the Placing Programme closes:

- 21.1 this Prospectus dated 6 January 2021; and
- 21.2 the Articles.

## **PART 13: TERMS AND CONDITIONS OF APPLICATION UNDER THE INITIAL PLACING AND THE PLACING PROGRAMME**

### **1. Introduction**

Participation in the Initial Placing and/or any Subsequent Placing is only available to persons who are invited to participate by Numis. These terms and conditions apply to persons making an offer to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing.

Each Placee which confirms its agreement to Numis to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing, as the case may be, will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or Numis may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) see(s) fit and/or may require any such Placee to execute a separate placing letter ("**Placing Letter**").

Subject to the paragraph above, the commitment to acquire Ordinary Shares and/or C Shares under the Initial Placing and/or a Subsequent Placing will be orally agreed with Numis as agent for the Company and further evidenced in a contract note (a "**Contract Note**") or placing confirmation (a "**Placing Confirmation**") or subscription letter. The terms herein will, where applicable, be deemed to be incorporated into such Contract Note or Placing Confirmation.

References in these terms and conditions to the Ordinary Shares should be construed as references to the New Ordinary Shares where the context permits.

### **2. Agreement to Subscribe for Ordinary Share/C Shares**

Subject to and conditional on:

- (a) in respect of the Initial Placing, Initial Admission of Ordinary Shares occurring and becoming effective by 8.00 a.m. (London time) on or prior to 2 February 2021 (or such later time and/or date, not being later than 8.00 a.m. on 31 March 2021, as the Company and Numis may agree) and in respect of a Subsequent Placing, the Subsequent Admission of Ordinary Shares or C Shares as the case may be subscribed in a Subsequent Placing by a Placee under the Placing Programme occurring not later than 8.00 a.m. on such other date as may be agreed between the Company and Numis prior to the closing of each placing under the Placing Programme, not being later than 5 January 2022;
- (b) the Issue Agreement becoming otherwise unconditional in all respects and not having been terminated on or before 8.00 a.m. on the date of Admission of the relevant Ordinary Shares or C Shares;
- (c) Numis confirming to the Placees their allocation of Ordinary Shares or C Shares, as applicable, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares or C Shares allocated to it by Numis at the Issue Price or the applicable Placing Programme Price, as the case may be. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have;
- (d) the terms and conditions herein and the terms and conditions set out in the Placing Letter and accompanying form of confirmation (if any);
- (e) in the case of the Initial Placing, the Minimum Gross Proceeds being raised;
- (f) in the case of any Subsequent Placing, a valid supplementary prospectus being published by the Company if such is required;
- (g) in the case of any Subsequent Placing, the relevant Placing Programme Price being determined by the Directors,

a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares or C Shares allocated to it by Numis at the Issue Price or the applicable Placing Programme Price, as the case may be.

If any of the conditions set out in the Issue Agreement are not fulfilled or, where permitted, waived to the extent permitted by law or regulation in accordance with the Issue Agreement, or the Issue Agreement is terminated in accordance with its terms, the relevant placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

In the event that the Company, in consultation with Numis, wishes to waive condition (e) referred to above, the Company will be required to publish a supplementary prospectus including a working capital statement based on a revised minimum gross proceeds figure.

To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

### **3. Payment for Shares**

Each Placee undertakes to pay the Issue Price or the Placing Programme Price, as applicable, for the Ordinary Shares or C Shares issued to the Placee in the manner and by the time directed by Numis. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Ordinary Shares and/or C Shares may, at the discretion of Numis either be rejected or accepted. Where the application is accepted by Numis, the Placee shall be deemed hereby to have appointed Numis or any nominee of Numis as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Ordinary Shares or C Shares (as applicable) in respect of which payment shall not have been made as directed, and to retain from the proceeds for Numis' own account the amount owed by the Placee plus any interest due and the Placee shall indemnify Numis and its respective affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

A sale of all or any of such Ordinary Shares or C Shares shall not release the relevant Placee from the obligation to make such payment for relevant Ordinary Shares or C Shares to the extent that Numis or its nominee has failed to sell such Ordinary Shares or C Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the Issue Price or the applicable Placing Programme Price.

### **4. Representations and Warranties**

By agreeing to subscribe for Ordinary Shares or C Shares, each Placee which enters into a commitment to subscribe for such Ordinary Shares or C Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares or C Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the AIFM, Victory Hill, the Registrar and Numis that:

- (a) in agreeing to subscribe for Ordinary Shares under the Initial Placing or Ordinary Shares and/or C Shares under a Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Ordinary Shares, the C Shares, the Initial Placing and/or a Subsequent Placing. It agrees that none of the Company, the AIFM, Victory Hill, Numis or the Registrar, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- (b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares under the Initial Placing or Ordinary Shares and/or C Shares under a Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the AIFM, the Victory Hill, Numis or the Registrar or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or



legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or a Subsequent Placing;

- (c) it has carefully read and understands this Prospectus and has had the opportunity to read the Key Information Document each in its entirety and acknowledges that it shall be deemed to have notice of all information and representations contained in this Prospectus and the Key Information Document and is acquiring Ordinary Shares or C Shares on the terms and subject to the conditions set out in this Part 13 (*Terms and Conditions of Application under the Initial Placing and the Placing Programme*) and the Articles as in force at the date of Admission of the Ordinary Shares or C Shares and agrees that in accepting a participation in the Initial Placing and/or any Subsequent Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Ordinary Shares and/or C Shares;
- (d) it has the power and authority to subscribe for Ordinary Shares under the Initial Placing and/or Ordinary Shares and/or C Shares under any Subsequent Placing and to execute and deliver all documents necessary for such subscription.
- (e) it has not relied on Numis or any person affiliated with Numis in connection with any investigation of the accuracy of any information contained in this Prospectus and it has relied on its own investigation with respect to the Ordinary and/or C Shares and the Company in connection with its investment decision;
- (f) the content of this Prospectus is exclusively the responsibility of the Company and its Directors and neither Numis nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing and/or a Subsequent Placing based on any information, representation or statement contained in this Prospectus or otherwise, provided that Numis' liability shall not be excluded to the extent that it is responsible or liable under FSMA or the regulatory regime established thereunder;
- (g) it acknowledges that no person is authorised in connection with the Initial Placing and/or a Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to the date of admission of the relevant Ordinary Shares or C Shares and, if given or made, any information or representation must not be relied upon as having been authorised by Numis, the Company, the AIFM or Victory Hill;
- (h) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (of the Finance Act 1986 depository receipts and clearance services);
- (i) it accepts that none of the Ordinary Shares or C Shares have been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa, or Japan. Accordingly, neither the Ordinary Shares nor the C Shares may be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa, or Japan unless an exemption from any registration requirement is available;
- (j) if it is within the United Kingdom, it is a Director and/or a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or is a person to whom the Ordinary Shares or the C Shares may otherwise lawfully be offered under such Order and/or is a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations and the Company is satisfied that such offer will not breach applicable law and regulation;
- (k) in the case of any Ordinary Shares or C Shares acquired by a Placee as a financial intermediary as that term is used in Article 5(2) of the Prospectus Regulation (i) the Ordinary



Shares or C Shares acquired by it in the Initial Placing and/or a Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of Numis has been given to the offer or resale; or (ii) where Ordinary Shares or C Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those Ordinary Shares or C Shares to it is not treated under the Prospectus Regulation as having been made to such persons;

- (l) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares or C Shares pursuant to the Initial Placing and/or the relevant Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares or C Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- (m) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares or C Shares and it is not acting on a non-discretionary basis for any such person;
- (n) if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Ordinary Shares under the Initial Placing and/or Ordinary Shares and/or C Shares under a Subsequent Placing and will not be any such person on the date any such agreement to subscribe under the Initial Placing or a Subsequent Placing is accepted;
- (o) it has complied with and will comply with all applicable provisions of the Criminal Justice Act 1993 and the regulation (EU) No. 596/2016 of the European Parliament and of the Council of 16 April 2014 on market abuse with respect to anything done by it in relation to the Initial Placing and any Subsequent Placing and/or the Ordinary Shares and/or the C Shares;
- (p) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials concerning the Initial Issue and/or a Subsequent Placing, the Ordinary Shares or the C Shares to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- (q) it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5, below;
- (r) it acknowledges that neither Numis nor any of its affiliates nor any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing and/or a Subsequent Placing or providing any advice in relation to the Initial Placing and/or a Subsequent Placing and participation in the Initial Placing and/or a Subsequent Placing is on the basis that it is not and will not be a client of Numis and that Numis does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing and/or a Subsequent Placing nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it in connection with its application under the Initial Placing and/or a Subsequent Placing;
- (s) it acknowledges that where it is subscribing for Ordinary Shares or C Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares or C Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus (including these terms and conditions of application under the Initial Placing and the Placing Programme); and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing and/or a Subsequent Placing in the form

provided by the Company and/or Numis. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares or C Shares by or on behalf of any such account;

- (t) if it is acting as a “distributor” (for the purposes of the MiFID II Product Governance Requirements):
  - (i) it acknowledges that the Target Market Assessment undertaken by Victory Hill and the AIFM does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares and/or C Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and/or C Shares and determining appropriate distribution channels;
  - (ii) notwithstanding any Target Market Assessment undertaken by Victory Hill and the AIFM, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Ordinary Shares and/or C Shares and that it has considered the compatibility of the risk/reward profile of such Ordinary Shares and/or C Shares with the end target market; and
  - (iii) it acknowledges that the price of the Ordinary Shares and the C Shares may decline and investors could lose all or part of their investment; the Ordinary Shares and the C Shares offer no guaranteed income and capital protection cannot be guaranteed on the Ordinary Shares or on the C Shares; and an investment in the Ordinary Shares or in the C Shares is compatible only with investors who do not need a guaranteed capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom,
- (u) it irrevocably appoints any director of the Company and any director of Numis to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares or C Shares for which it has given a commitment under the Initial Placing and/or a Subsequent Placing, in the event of its own failure to do so;
- (v) it accepts that if the Initial Placing and/or a Subsequent Placing does not proceed or the conditions to the Issue Agreement are not satisfied or the Ordinary Shares or C Shares for which valid applications are received and accepted are not admitted to listing on the premium segment of the Official List or trading on the Main Market for any reason whatsoever then none of Numis or the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- (w) in connection with its participation in the Initial Placing and/or a Subsequent Placing it has observed all relevant legislation and regulations, in particular (but without limitation) Money Laundering Legislation and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2017 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2014/849/EC of the European Parliament and of the EC Council of 20 May 2015 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing); or (iii) subject to the Money Laundering Regulations 2017, the Proceeds of Crime Act 2002 and the Terrorism Act 2000, in each case, as amended; or (iv) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Legislation;

- (x) it acknowledges that due to anti-money laundering and the countering of terrorist financing requirements, Numis and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Numis and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Numis and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it;
- (y) it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;
- (z) it acknowledges and agrees that it has been informed that, pursuant to the General Data Protection Regulation 2016/679 (the “**DP Legislation**”) the Company and/or the Registrar may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company’s privacy notice, which is available for review on the Company’s website [www.vh-gseo.com](http://www.vh-gseo.com) (the “**Privacy Notice**”), including for the purposes set out below (collectively, the “**Purposes**”), being to:
  - (i) process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with its holding of Ordinary Shares and/or C Shares, including processing personal data in connection with credit and anti-money laundering checks on it;
  - (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares and/or C Shares;
  - (iii) comply with the legal and regulatory obligations of the Company and/or the Registrar; and
  - (iv) process its personal data for internal administration;
- (aa) it acknowledges that in order to meet the Purposes, it will be necessary for the Company and the Registrar to provide personal data to:
  - (i) third parties located either within, or outside of the EEA, if necessary for the Registrar to perform its functions, or when it is necessary for its legitimate interests, and in particular in connection with the holding of Ordinary Shares and/or C Shares; or
  - (ii) its affiliates, the Company (in the case of the Registrar), the AIFM, or Victory Hill and their respective associates, some of which may be located outside of the EEA;
- (bb) it acknowledges that any sharing of personal data by the Company or the Registrar with other parties will be carried out in accordance with the DP Legislation and as set out in the Company’s Privacy Notice;
- (cc) it acknowledges that by becoming registered as a holder of Ordinary Shares and/or C Shares a person becomes a data subject (as defined in the DP Legislation). In providing the Registrar with information, each Placee hereby represents and warrants to the Registrar that it has (i) notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company’s Privacy Notice and any other data protection notice which has been provided by the Company and/or the Registrar; and (ii) where consent is legally required under applicable DP Legislation, it has obtained the consent of any data subject to the Registrar and their respective associates holding and using their personal data for the Purposes including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph (cc);

- (dd) it acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where it is a natural person he or she has read and understood the terms of the Company's Privacy Notice.
- (ee) it acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where it is not a natural person it represents and warrants that:
  - (i) it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account it may act or whose personal data will be disclosed to the Company as a result of it agreeing to subscribe for Ordinary Shares and/or C Shares; and
  - (ii) it has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company;
- (ff) it acknowledges that where it acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she shall, in respect of the personal data he/she processes in relation to or arising in relation to the Initial Placing and/or any Subsequent Placing:
  - (i) comply with all applicable data protection legislation;
  - (ii) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;
  - (iii) if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
  - (iv) it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), loss (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by it to comply with the provisions set out above.
- (gg) it acknowledges that Numis and the Company are entitled to exercise any of their rights under the Issue Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- (hh) the representations, undertakings and warranties contained in this Prospectus including these terms and conditions of application under the Initial Placing and the Placing Programme are irrevocable. It acknowledges that Numis, the Company, the AIFM, Victory Hill and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Ordinary Shares or C Shares are no longer accurate, it shall promptly notify Numis and the Company;
- (ii) where it or any person acting on behalf of it is dealing with Numis, any money held in an account with Numis on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant provisions of the FCA Rules which therefore will not require Numis to segregate such money, as that money will be held by Numis under a banking relationship and not as trustee;
- (jj) any of its clients, whether or not identified to Numis, will remain its sole responsibility and will not become clients of Numis for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- (kk) it accepts that the allocation of Ordinary Shares or C Shares shall be determined by Numis in its absolute discretion but in consultation with the Company and that Numis may scale down any placing commitments for this purpose on such basis as it may determine;
- (ll) time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares or C Shares and to comply with its other obligations under the Initial Placing and/or a Subsequent Placing;

- (mm) it is capable, or the underlying client(s) in the case of applications on behalf of professionally-advised investors are capable themselves, of evaluating the merits and risks of an investment in the Company and have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment;
- (nn) it authorises Numis to deduct from the total amount subscribed under the Initial Placing or a Subsequent Placing (as applicable), the aggregate fees and commissions (if any) calculated at the rate (agreed with the Company) payable on the number of Ordinary Shares or C Shares allocated under the Initial Placing or a Subsequent Placing (as applicable);
- (oo) its commitment to acquire Ordinary Shares and/or C Shares will be agreed orally with Numis and that a Contract Note or Placing Confirmation will be issued by Numis as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding Placing Commitment upon that person (who at that point will become a Placee) in favour of the Company and Numis to purchase and/or subscribe for the number of Ordinary Shares and/or C Shares allocated to it at the Issue Price or the relevant Placing Programme Price on the terms and conditions set out in herein and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of Numis, such oral Placing Commitment will not be capable of variation or revocation after the time at which it is made;
- (pp) it acknowledges and understands that the Company may be required to comply with UK provisions implementing international regimes for the automatic exchange of information to improve tax compliance (including FATCA, the CRS and DAC 6) and that the Company will comply with requirements to provide information directly or indirectly to Her Majesty's Revenue and Customs tax authority which may be passed on to other relevant tax authorities. You agree to furnish any information and documents the Company may from time to time request, including but not limited to information required; and
- (qq) its allocation of Ordinary Shares and/or C Shares under the Initial Placing and any Subsequent Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Ordinary Shares and/or C Shares that such Placee has agreed to purchase and/or subscribe for; (ii) the aggregate amount that such Placee will be required to pay for such Ordinary Shares and/or C Shares; and (iii) settlement instructions to pay Numis as agent for the Company. The terms herein will be deemed to be incorporated into that Contract Note or Placing Confirmation.

The Company, the AIFM, Victory Hill, the Registrar, Numis and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Numis.

## **5. United States purchase and transfer restrictions**

By participating in the Initial Placing and/or a Subsequent Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares or C Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the AIFM, Victory Hill, the Registrar and Numis that:

- (a) it is not a U.S. Person, is not located within the United States and is acquiring the Ordinary Shares or C Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act and it is not acquiring the Ordinary Shares or C Shares for the account or benefit of a U.S. Person;
- (b) it acknowledges that the Ordinary Shares and C Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the Securities Act;
- (c) it acknowledges that the Company has not registered under the Investment Company Act and that the Company has put in place restrictions for transactions not involving any public



offering in the United States, and to ensure that the Company is not and will not be required to register under the Investment Company Act;

- (d) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or C Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an **“employee benefit plan”** as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a **“plan”** as defined in Section 4975 of the Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Tax Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Tax Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Tax Code, its purchase, holding, and disposition of the Ordinary Shares or C Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (e) that if any Ordinary Shares or C Shares offered and sold pursuant to Regulation S under the Securities Act are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

**“VH GLOBAL SUSTAINABLE ENERGY OPPORTUNITIES PLC (THE “COMPANY”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “INVESTMENT COMPANY ACT”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS.”**

- (f) if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares or C Shares, it will do so only in compliance with an exemption from the registration requirements of the Securities Act and under circumstances which will not require the Company to register under the Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- (g) it is purchasing the Ordinary Shares or C Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares or C Shares in any manner that would violate the Securities Act, the Investment Company Act or any other applicable securities laws;
- (h) it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or C Shares or interests therein at any time as to such person’s status under U.S. federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under U.S. securities laws to transfer such Ordinary Shares or C Shares or interests in accordance with the Articles;
- (i) it acknowledges and understands that the Company is required to comply with UK law and regulation implementing various intergovernmental agreements relating to the automatic exchange of information for international tax compliance (**“Exchange of Information Requirements”**). It agrees to furnish any information and documents, which the Company



may from time to time request for the purpose of compliance with the Exchange of Information Requirements;

- (j) it further consents to allowing and authorising the Company to disclose and supply any information, forms or documentation to HMRC (who may, if required, in turn pass it on to the tax authorities of any other relevant jurisdiction) and, to the extent relevant it shall procure that the beneficial owner of the Ordinary Shares provides such consent and authorisation to the Company in respect of any such information forms or documents relating to it;
- (k) it is entitled to acquire the Ordinary Shares or C Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares or C Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, Victory Hill, Numis or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Initial Placing and/or any Subsequent Placing or its acceptance of participation in the Initial Placing and/or any Subsequent Placing;
- (l) it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Ordinary Shares and/or C Shares to within the United States or to any U.S. Persons, nor will it do any of the foregoing; and
- (m) if it is acquiring any Ordinary Shares or C Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, the AIFM, Victory Hill, the Registrar, Numis and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Numis.

## **6. Supply and disclosure of information**

If Numis, the Registrar, the AIFM, Victory Hill or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares or C Shares under the Initial Placing and/or a Subsequent Placing, such Placee must promptly disclose it to them.

## **7. Return of application moneys**

If any application is not accepted in whole, or is accepted in part only (as a result of any scaling back of any part of an application), or if any contract created by acceptance does not become unconditional, the application moneys or, as the case may be, the balance of the amount paid on application will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest and at the risk of the applicant. In the meantime, application moneys will be retained by the Receiving Agent in a separate account.

## **8. Money laundering**

Each Placee acknowledges and agrees that:

- (a) it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("**Money Laundering Regulations**") and any other applicable law concerning the prevention of money laundering (together, the "**Money Laundering Legislation**") and, if it is making payment on behalf of a third party, that: (i) satisfactory evidence has been obtained and recorded by it to verify the identity of the third party; and (ii) arrangements have been

entered into with the third party to obtain from the third party copies of any identification and verification data immediately on request as required by the Money Laundering Legislation and, in each case, agrees that pending satisfaction of such obligations, definitive certificates (or allocation under the CREST system) in respect of the Ordinary Shares and/or C Shares comprising the Placee's allocation may be retained at the discretion of Numis; and

- (b) due to anti-money laundering requirements and the countering of terrorist financing requirements, Numis and/or the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Numis and/or the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify Numis and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis.

## **9. Miscellaneous**

The rights and remedies of Numis, the AIFM, Victory Hill and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally his or her nationality.

On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing and/or a Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles once the Ordinary Shares or C Shares which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or a Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares or C Shares under the Initial Placing and/or a Subsequent Placing and the appointments and authorities mentioned in this Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Numis, the Company, the AIFM, Victory Hill and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for Ordinary Shares or C Shares under the Initial Placing and/or a Subsequent Placing, references to a "**Placee**" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Numis and the Company expressly reserve the right to modify the Initial Placing and/or a Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Initial Placing and/or any Subsequent Placing is subject to the satisfaction of the conditions contained in the Issue Agreement and the Issue Agreement not having been terminated. Further details of the terms of the Issue Agreement are contained in paragraph 8.4 of Part 12 (*General Information*) of this Prospectus.

## **PART 14: TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION**

### **1. Introduction**

If you apply for Ordinary Shares under the Offer for Subscription, you will be agreeing with the Company, Numis and the Receiving Agent as set out in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*).

Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100 or such lesser amount as the Company may determine (at its discretion). Multiple applications will not be accepted.

### **2. Terms and conditions for Applicants using the Offer for Subscription Application Form**

#### **2.1 Offer to acquire Ordinary Shares under the Offer for Subscription**

Your application must be made on the Application Form set out at the Appendix of this Prospectus or otherwise published by the Company. By completing and delivering an Application Form, you, as the applicant, and, if you complete an Application Form on behalf of another person or a corporation, that person or corporation:

- (a) offer to subscribe for the Ordinary Shares specified in Box 1 of your Application Form (or such lesser number for which your application is accepted) at the Issue Price per Share on the terms, and subject to the conditions, set out in this Prospectus (including this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*)) and the Articles;
- (b) agree that in respect of any Ordinary Shares for which you wish to subscribe under the Offer for Subscription you will submit payment in Sterling;
- (c) agree that, in consideration of the Company and Numis agreeing that they will not, prior to Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of any supplementary prospectus being published by the Company subsequent to the date of this Prospectus and prior to Admission) and that this paragraph (c) shall constitute a collateral contract between you, the Company and Numis which will become binding upon despatch by post to the Receiving Agent, on receipt by the Receiving Agent of your Application Form;
- (d) undertake to pay the amount specified in Box 1 of your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to have any Ordinary Shares applied for in uncertificated form credited to a CREST account or to receive a share certificate for any Ordinary Shares applied for in certificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Company and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to issue such Ordinary Shares and may issue them to some other person(s), in which case you will not be entitled to any refund or payment in respect thereof (other than the refund to you at your risk of any proceeds of the remittance, once honoured, which accompanied your Application Form, without interest);
- (e) agree that the crediting to a CREST account of any Ordinary Shares in uncertificated form to which you may become entitled may be delayed by, and that any share certificate in respect of any Ordinary Shares in certificated form to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled and monies returnable may be retained by, the Receiving Agent:

- (i) pending clearance of your remittance;
- (ii) pending investigation of any suspected breach of the warranties contained in sub-paragraphs 2.6(a), (f), (j) or (l) of this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) or any other suspected breach of the terms and conditions of application set out in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*); or
- (iii) pending any verification of identity which is, or which the Company, Numis or the Receiving Agent considers may be, required for the purposes of their respective money laundering obligations under the Money Laundering Legislation and any other regulations applicable thereto,

and any interest accruing on such retained monies shall accrue to and for the sole benefit of the Company;

- (f) agree, on the request of the Company, Numis and/or the Receiving Agent, to disclose promptly in writing to them such information as the Company, Numis and/or the Receiving Agent may request in connection with your application, including, without limitation, satisfactory evidence of identity to ensure compliance with Money Laundering Legislation, and authorise the Company, Numis and the Receiving Agent to disclose any information relating to your application which they may consider appropriate;
- (g) agree that, if evidence of identity satisfactory to the Company, and/or the Receiving Agent is not provided to the Receiving Agent within a reasonable time in the opinion of Numis, the Company following a request therefor, the Company or Numis may terminate the agreement with you to issue Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been issued to you may be re-issued and your application monies will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest and at your risk;
- (h) agree that you are not applying on behalf of a person engaged in money laundering;
- (i) undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certificate by a solicitor or notary) is enclosed with your Application Form;
- (j) undertake to pay interest at a rate of 4 per cent. per annum above the then published bank base rate of a clearing bank selected by the Receiving Agent, if the remittance accompanying your Application Form is not honoured on first presentation;
- (k) authorise the Receiving Agent to credit the CREST account specified in section 2B of the Application Form with the number of Ordinary Shares for which your application is accepted or, if that section is not completed, send a definitive certificate in respect of the number of Ordinary Shares for which your application is accepted by post to your address (or that of the first-named applicant) as set out in your Application Form;
- (l) agree that, in the event of any difficulties or delays in the admission of the Ordinary Shares to CREST or the use of CREST in relation to the Initial Issue, the Company and Numis may agree that all of the Ordinary Shares should be issued in certificated form;
- (m) acknowledge and agree that you have been informed that, pursuant to the General Data Protection Regulation 2016/679 (the “**DP Legislation**”) the Company and/or the Registrar may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company’s privacy notice, which is available for

review on the Company's website [www.vh-gseo.com](http://www.vh-gseo.com) (the "**Privacy Notice**"), including for the purposes set out below (collectively, the "**Purposes**"), being to:

- (i) process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with its holding of Ordinary Shares and/or C Shares, including processing personal data in connection with credit and anti-money laundering checks on it;
- (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares and/or C Shares;
- (iii) comply with the legal and regulatory obligations of the Company and/or the Registrar; and
- (iv) process its personal data for internal administration;

## 2.2 Acceptance of Applications

- (a) In respect of those Ordinary Shares for which your application has been received and is not rejected, acceptance of your application shall be constituted, at the election of the Company, or Numis on behalf of the Company either:
  - (i) by notifying the London Stock Exchange of the basis of allocation (in which case the acceptance will be on that basis); or
  - (ii) by notifying acceptance thereof to the Receiving Agent.
- (b) The basis of allocation will be determined by the Company in consultation with Numis. The right is reserved notwithstanding the basis so determined to reject in whole or in part and/or scale down any application. The right is also reserved to treat as valid any application not complying fully with these Terms and Conditions of Application under the Offer for Subscription or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with it in some other manner to apply in accordance with the terms and conditions of application in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*). The Company reserves the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received through the post after 11.00 a.m. on 27 January 2021.
- (c) The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than 1,000 Ordinary Shares, or applications which are more than 1,000 but not a multiple of 100 thereafter.
- (d) Multiple applications are liable to be rejected. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.
- (e) Payment by CHAPS must be accompanied by a personalised payment reference number which may be obtained by contacting the Receiving Agent directly by email at [OFSpaymentqueries@computershare.co.uk](mailto:OFSpaymentqueries@computershare.co.uk) for full bank details or telephone the Shareholder helpline for further information on 0370 703 0333 or from outside the UK on +44 370 703 0333. The Receiving Agent will then provide you with a unique reference number which must be used when sending payment.
- (f) Applicants choosing to settle via CREST (i.e. by delivery versus payment ("**DVP**")), will need to match their instructions to the Receiving Agent's participant account 8RA08 by no later than 11.00 a.m. on 27 January 2021, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price, following the CREST matching criteria set out in the Application Form.



### 2.3 Conditions

The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:

- (a) Admission occurring and becoming effective by 8.00 a.m. on 2 February 2021 (or such later time or date, not being later than 8.00 a.m. on 31 March 2021, as the Company and Numis may agree);
- (b) the Issue Agreement referred to in paragraph 8.4 of Part 12 (*General Information*) of this Prospectus becoming unconditional and the obligations of Numis thereunder not being terminated prior to Admission; and
- (c) the minimum gross proceeds of the Initial Issue, being £200 million (or such lesser amount as the Company, Numis and Victory Hill may agree) being raised.

### 2.4 Governing Law

- (a) Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.
- (b) You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

### 2.5 Return of application moneys

If any application is not accepted in whole, or is accepted in part only (as a result of any scaling back of any part of an application), or if any contract created by acceptance does not become unconditional, the application moneys or, as the case may be, the balance of the amount paid on application will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest at your risk. In the meantime, application moneys will be retained by the Receiving Agent in a separate account.

### 2.6 Warranties

By completing an Application Form, you:

- (a) warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person or corporation and that such other person or corporation will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- (b) confirm that, in making an application, you are relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to Admission of the Ordinary Shares issued pursuant to the Initial Issue and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Ordinary Shares and/or the Initial Issue. You agree that none of the Company, the AIFM, Victory Hill, Numis or the Registrar, nor any of their respective officers, agents employees, will have any liability for any other information or representation. You irrevocably and unconditionally waive any rights you may have in respect of any other information or representation;
- (c) acknowledge that the Key Information Document prepared by the Investment Adviser pursuant to the PRIIPs Regulation can be provided to you in paper or by means of a website, but that where you are applying under the Offer for Subscription directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the Key Information Document via the website at [www.vh-gseo.com](http://www.vh-gseo.com), or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms



of your engagement should address the means by which the Key Information Document will be provided to you;

- (d) agrees that, having had the opportunity to read the Prospectus and the Key Information Document, it shall be deemed to have had notice of all information and representations concerning the Company and the Ordinary Shares contained therein;
- (e) acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to Admission of the Ordinary Shares issued pursuant to the Initial Issue and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Numis, the AIFM or Victory Hill;
- (f) warrant that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, Numis, the AIFM, Victory Hill or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the UK in connection with the Offer for Subscription in respect of your application;
- (g) warrant that you are not under the age of 18 on the date of your application;
- (h) warrant that the information contained in the Application Form is true and accurate;
- (i) agree that all documents and moneys sent by post to, by or on behalf of the Company, Numis or the Receiving Agent will be sent at your risk and, in the case of documents and returned moneys to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- (j) agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- (k) warrant that you are not applying as, or as nominee or agent of, a person who is or may be a person mentioned in any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipt and clearance services);
- (l) confirm that you have reviewed the restrictions contained in paragraph 2 of this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) and warrant to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions in that paragraph;
- (m) acknowledge and understand that the Company may be required to comply with UK provisions implementing international regimes for the automatic exchange of information to improve tax compliance (including FATCA, the CRS and DAC 6) and that the Company will comply with requirements to provide information directly or indirectly to Her Majesty's Revenue and Customs tax authority which may be passed on to other relevant tax authorities. You agree to furnish any information and documents the Company may from time to time request, including but not limited to information required; and
- (n) agree that you are capable, or the underlying client(s) in the case of applications on behalf of professionally-advised investors are capable themselves, of evaluating the merits and risks of an investment in the Company and have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment.

## 2.7 Money laundering

You agree that, in order to ensure compliance with the Money Laundering Legislation and any other regulations applicable thereto the Company and/or the Receiving Agent may, at its/their absolute discretion, require verification of identify from any person lodging an Application Form who either:

- (a) tenders payment by way of telegraphic transfer or similar electronic means from, an account in the name of another person or persons (in which case verification of your identity may be required); or
- (b) appears to the Receiving Agent to be acting on behalf of some other person (in which case verification of or identity of any persons on whose behalf you appear to be acting may be required).

Failure to provide the necessary evidence or identity may result in application(s) being rejected or delays in the despatch of documents or CREST accounts being credited.

Without prejudice to the generality of this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*), verification of the identity of applicants will be required if the value of the Ordinary Shares applied for, whether in one or more applications, exceeds EUR 15,000 (or the Sterling equivalent). If the amount you wish to subscribe for Ordinary Shares, whether in one or more applications, exceeds EUR 15,000 (or the Sterling equivalent) you must ensure that section 6.A, 6.B., or 6.C. (as appropriate) of the Application Form is completed.

## 2.8 Overseas Investors

The attention of investors who are not resident in, or citizens of, countries other than the United Kingdom is drawn to paragraph (a) to (d) below:

- (a) The offer of Ordinary Shares under the Offer for Subscription to persons who are resident in, or citizens of, countries other than the United Kingdom, may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for Ordinary Shares under the Offer for Subscription. It is the responsibility of all such persons receiving this Prospectus and/or wishing to subscribe for Ordinary Shares under the Offer for Subscription, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities requiring to be observed and paying any issue, transfer or other taxes due in such territories.
- (b) No person receiving a copy of this Prospectus in any territory other than the United Kingdom, may treat the same as constituting an offer or invitation to him, unless in the relevant territory such an offer can lawfully be made to it without compliance with any further registration or other legal requirements and the Company is satisfied that such offer or invitation will not breach applicable law and regulation.
- (c) Persons (including, without limitation, nominees and trustees) receiving this Prospectus should not distribute or send it to any U.S. Person or in or into the United States, Canada, Australia, the Republic of South Africa, or Japan, their respective territories or possessions or any other jurisdiction where to do so would or might contravene local securities laws or regulations.
- (d) The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares pursuant to the Offer for Subscription if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

## 2.9 Miscellaneous

- (a) To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer for Subscription.

- (b) The rights and remedies of the Company, Numis and the Receiving Agent, pursuant to this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) are in addition to any rights and remedies, which would otherwise be available to any of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- (c) The Company reserves the right to delay the closing time of the Offer for Subscription from 11.00 am on 27 January 2021 by giving notice to the London Stock Exchange. In this event, the revised closing time will be published in such manner as Numis, in consultation with the Company, determines subject and having regard, to the Prospectus Regulation Rules and any requirements of the London Stock Exchange.
- (d) The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission of the Ordinary Shares issued under the Initial Issue. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned to the bank or other account on which the remittance accompanying the application was drawn, or from which any electronic interbank transfer (CHAPS) was made, without interest at your risk.
- (e) You agree that Numis is acting for the Company in connection with the Initial Issue and for no-one else and that Numis will not treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of Ordinary Shares or concerning the suitability of Ordinary Shares for you or otherwise in relation to the Offer for Subscription.
- (f) You authorise the Receiving Agent, Numis or any person authorised by it or the Company, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by you into your name(s) and authorise any representatives of the Receiving Agent or Numis to execute and/or complete any document required therefor.
- (g) You agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription and any non-contractual obligations arising under or in connection therewith shall be governed by and construed in accordance with English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company, Numis or the Receiving Agent to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances and contracts in any other manner permitted by law or in any court of competent jurisdiction.
- (h) The dates and times referred to in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) may be altered by the Company so as to be consistent with the Issue Agreement (as the same may be altered from time to time in accordance with its terms).
- (i) Save where the context requires otherwise, terms used in this Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) bear the same meaning as where used elsewhere in this Prospectus.

#### 2.10 Joint applicants

If you make a joint application, you will not be able to transfer your Ordinary Shares into an ISA, SIPP or SSAS. If you are interested in transferring your Ordinary Shares into an ISA, SIPP or SSAS, you should apply in your name only.

If you do wish to apply jointly, you may do so with up to three other persons. Sections 2 and 4 of the Application Form must be completed by one applicant. All other persons who wish to join in the application must complete and sign section 3 of the Application Form.

Another person may sign on behalf of any joint applicant if that other person is duly authorised to do so under a power of attorney. The original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) must be enclosed for inspection. Certificates and other correspondence will be sent to the address set out in the first paragraph of the Application Form.

2.11 Contact telephone number

Insert in section 7 of the Application Form a daytime contact telephone number, including subscriber toll dialling (STD), (and, if different, from the person named in section 2 of the Application Form, the name of the person to contact) in the case of any queries regarding your application.

2.12 Verification of identity

**Sections 5 and 6 of the Application Form only applies if the Ordinary Shares which you are applying for, whether in one or more applications, exceeds EUR 15,000 (or the Sterling equivalent). If section 6 applies to your application, you must ensure that section 6.A., 6.B., 6.C or 6.D (as appropriate) is completed.**

2.13 Professional adviser or intermediary

You should complete section 5 of the Application Form if you are a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA or, if outside the United Kingdom, another appropriately authorised independent financial adviser acting on behalf of a client.

2.14 Applicant identity information

**Section 6 of the Application Form need only be completed where the amount you wish to subscribe for the Ordinary Shares, whether in one or more applications, exceeds EUR 15,000 (or the Sterling equivalent) and section 5 of the Application Form can be completed.**

Notwithstanding that the declaration set out in section 5 of the Application Form has been completed and signed, the Receiving Agent, Numis and the Company reserve the right to request of you the identity documents listed in section 6 of the Application Form and/or to seek verification of identity of each holder and payer (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time, your application might be rejected or revoked.

Where certified copies of documents are requested in section 6 of the Application Form, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

2.15 Instructions for delivery of completed Application Forms

**The completed Application Form should be returned, by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, so as to be received by no later than 11.00 a.m. on 27 January 2021. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after 11.00 a.m. on 27 January 2021 may be rejected and returned to the first-named applicant. If you have a query concerning completion of the Application Form please call the Receiving Agent on 0370 703 0333 or from outside the UK on +44 370 703 0333.**

## PART 15: DEFINITIONS

In this Prospectus, unless the context otherwise requires, the expressions as set out below shall bear the following meanings:

<b>Act</b>	Companies Act 2006, as amended from time to time;
<b>Administrator</b>	Apex Fund and Corporate Services (UK) Limited;
<b>Administration Agreement</b>	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 8.2 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Admission</b>	the date on which admission of the Shares issued pursuant to the Initial Issue or, if the context so requires, of the New Ordinary Shares or C Shares issued pursuant to the Placing Programme to listing on the premium segment of the Official List and to trading on the Main Market becomes effective;
<b>AGM</b>	an annual general meeting of the Company;
<b>AIC</b>	the Association of Investment Companies;
<b>AIC Code</b>	the AIC Code of Corporate Governance, as amended from time to time;
<b>AIF</b>	alternative investment fund, as defined in the AIFM Directive;
<b>AIFM</b>	G10 Capital Limited;
<b>AIFM Agreement</b>	the alternative investment fund management agreement between the Company and the AIFM, a summary of which is set out in paragraph 8.1 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>AIFM Directive</b>	The Alternative Investment Fund Managers Directive (2011/61/EU);
<b>AIFM Regulations</b>	The Alternative Investment Fund Managers Regulations 2013 (SI) 2013/1773);
<b>AIFM Rules</b>	the AIFM Directive, the EU Regulation and all applicable rules and regulations implementing the AIFM Directive in the UK, including without prejudice to the generality of the foregoing the AIFM Regulations and all relevant provisions of the FCA Rules;
<b>Application Form</b>	the application form for use in connection with the Offer for Subscription set out in the Appendix to this Prospectus;
<b>Appointed Representative</b>	a firm who runs regulated activities and acts as an agent for a firm directly authorised by the FCA;
<b>Approved Persons</b>	an individual approved by the FCA to undertake one or more controlled functions for an authorised firm;
<b>Articles or Articles of Association</b>	the articles of association of the Company, a summary of which is set out in paragraph 4 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Audit Committee</b>	the audit committee of the of the Company as described in paragraph 16.4 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>Auditor</b>	BDO LLP;
<b>behind-the meter</b>	Sustainable Energy Infrastructure Investments interconnected behind a commercial or residential customer's utility meter;
<b>Board or Directors</b>	the directors of the Company whose names are set out in the paragraph headed " <b>Directors</b> " in paragraph 7 of Part 7 ( <i>The Company</i> ) of this Prospectus;

<b>Business Days</b>	any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays);
<b>C Shares</b>	C shares of £0.01 each in the capital of the Company having the rights and restrictions set out in paragraph 4.19 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>CCHP</b>	combined cooling heating and power;
<b>Cfd</b>	contract for difference;
<b>CHP</b>	combined heat and power;
<b>Company</b>	VH Global Sustainable Energy Opportunities plc;
<b>Continuation Resolution</b>	an ordinary resolution that the Company continues its business as an investment trust, put to Shareholders, in accordance with the Articles at the AGM to be held in 2026 and at every fifth AGM thereafter, and otherwise if 75 per cent. of the Net Proceeds have not been invested or contractually committed to investments within 12 months of the date of Initial Admission;
<b>Corporate Governance Code</b>	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time;
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755);
<b>CRS</b>	the OECD common reporting standard;
<b>CTA</b>	Corporation Tax Act 2010, as amended;
<b>DAC 6</b>	the EU Directive on Administrative Cooperation in the field of taxation (2011/16) as amended by the EU Directive 2018/822;
<b>Default Shares</b>	the meaning given to it in paragraph 4.9 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Depository</b>	Apex Depository (UK) Limited;
<b>Depository Agreement</b>	the depository agreement between the Company and the Depository, a summary of which is set out in paragraph 8.3 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Disclosure Guidance and Transparency Rules</b>	the Disclosure Guidance and Transparency Rules made by the FCA under section 72 of FSMA;
<b>Energy Transition</b>	the energy transition to a lower carbon future;
<b>Enhanced Pipeline Assets</b>	the assets described in paragraph 2 of Part 8 of this Prospectus ( <i>Enhanced Pipeline Assets and Further Pipeline Assets</i> );
<b>EPC</b>	engineering, procurement and construction;
<b>EPCM</b>	engineering, procurement and construction management;
<b>ERISA</b>	the United States Employee Retirement Income Security Act of 1974, as amended;
<b>EU or European Union</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992;
<b>EU Regulation</b>	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFM Directive, with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;



<b>Euroclear</b>	Euroclear UK & Ireland Limited (a company incorporated in England and Wales with registered number 02878738, being the operator of CREST);
<b>EEA</b>	the European Union, Iceland, Norway and Liechtenstein;
<b>FATCA</b>	the US Foreign Account Tax Compliance Act;
<b>FCA</b>	the Financial Conduct Authority;
<b>FCA Rules</b>	the handbook of rules and guidance of the FCA, as amended;
<b>frequency response</b>	contracts through which dynamic or non-dynamic response services to changes in frequency are provided to help balance the grid and avoid power outages;
<b>FSMA</b>	Financial Services and Markets Act 2000;
<b>Further Pipeline Assets</b>	the assets described in paragraph 2 of Part 8 of this Prospectus ( <i>Enhanced Pipeline Assets and Further Pipeline Assets</i> );
<b>GDP</b>	gross domestic product;
<b>General Meeting</b>	a general meeting of the Company;
<b>GHG</b>	greenhouse gas;
<b>Gross Asset Value</b>	the value of the gross assets of the Company, including cash, as determined in accordance with the accounting principles adopted by the Company from time to time;
<b>Gross Proceeds</b>	the Issue Price multiplied by the number of Ordinary Shares for which subscribers have been procured pursuant to the Initial Placing together with the Issue Price multiplied by the number of Ordinary Shares for which applications have been made pursuant to the Offer for Subscription, excluding any applications for Ordinary Shares, which have been scaled back in accordance with the procedure described in paragraph 8 of Part 9 ( <i>The Initial Issue (Initial Placing, Offer for Subscription and Intermediaries Offer)</i> );
<b>HMRC</b>	Her Majesty's Revenue and Customs;
<b>HVAC</b>	heating, ventilation and air conditioning;
<b>IEA</b>	International Energy Agency;
<b>IFRS</b>	International Financial Reporting Standards;
<b>Initial Admission</b>	Admission of the Ordinary Shares issued pursuant to the Initial Issue;
<b>Initial Issue</b>	the issue of Ordinary Shares pursuant to the Initial Placing, the Offer for Subscription and the Intermediaries Offer at the Issue Price;
<b>Initial Placing</b>	the conditional placing of Ordinary Shares by Numis at the Issue Price pursuant to the Issue Agreement;
<b>Intermediaries</b>	the entities listed in paragraph 20 of Part 12 ( <i>General Information</i> ) of this Prospectus together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus and " <b>Intermediary</b> " shall mean any one of them;
<b>Intermediaries Booklet</b>	the booklet entitled "VH Global Sustainable Energy Opportunities plc: Intermediaries Offer – Information for Intermediaries" and containing, among other things, the Intermediaries Terms and Conditions;

<b>Intermediaries Offer</b>	the offer of Ordinary Shares by the Intermediaries;
<b>Intermediaries Offer Adviser</b>	Solid Solutions Associates (UK) Limited;
<b>Intermediaries Terms and Conditions</b>	the terms and conditions agreed between the Intermediaries Offer Adviser, the Company and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet;
<b>Investment Advisory Agreement</b>	the investment advisory agreement between the Company, the AIFM and Victory Hill, a summary of which is set out in paragraph 8.1 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Investment Company Act</b>	the United States Investment Company Act of 1940, as amended;
<b>Investment Pathway</b>	has the meaning given in paragraph 3 of Part 6 ( <i>Investment Opportunity and Investment Approach</i> ) of this Prospectus;
<b>Investment Policy</b>	the investment policy of the Company as described in paragraph 4 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>IRR</b>	internal rate of return;
<b>ISA</b>	an investment plan for the purposes of chapter 3 of Part 6 of the Income Tax (Trading and Other Income) Act 2005 and the Individual Savings Account Regulations 1998 (SI 1998/1870), as amended;
<b>Issue Agreement</b>	the conditional issue agreement between the Company, Victory Hill, the AIFM, the Directors and Numis, details of which are set out in paragraph 8.4 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Issue Expenses</b>	the costs, commissions, fees and expenses incidental to the formation of the Company and the Initial Issue which will be borne by the Company and paid on or around Initial Admission;
<b>Issue Price</b>	100p per Ordinary Share;
<b>IT Regulations</b>	Investment Trust (Approved Company) (Tax) Regulations 2011;
<b>Key Information Document or KID</b>	the key information document dated on or around the date of this Prospectus relating to the Company produced pursuant to the PRIIPs Regulation, as amended from time to time;
<b>Listing Rules</b>	the Listing Rules made by the FCA under section 73A of FSMA;
<b>London Stock Exchange</b>	London Stock Exchange plc (a company registered in England and Wales with registered number 2075721);
<b>Main Market</b>	the main market of the London Stock Exchange for listed securities;
<b>Managed Funds</b>	funds, finance vehicles or accounts managed or advised by a member or members of each of Victory Hill and AIFM and the other companies in their respective groups for the purposes of section 606 of CTA;
<b>Manager Group</b>	Victory Hill, the AIFM and the other companies in their respective groups for the purposes of section 606 of CTA;
<b>Management Engagement Committee</b>	the management engagement committee of the Company as described in paragraph 16.5 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>Management Shares</b>	redeemable preference shares of £1.00 each in the capital of the Company held, at the date of this document, by Victory Hill Capital Advisors LLP;
<b>Market Abuse Regulation or MAR</b>	the Market Abuse Regulation (EU) No. 596/2014;

<b>MiFID II</b>	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“ <b>MiFID</b> ”) and Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (“ <b>MiFIR</b> ”, and together with MiFID, “ <b>MiFID II</b> ”);
<b>MiFID II Product Governance Requirements</b>	the meaning given in Part 2 ( <i>Important Information</i> ) of this Prospectus;
<b>Minimum Gross Proceeds</b>	the minimum gross proceeds of the Initial Issue, being £200 million;
<b>Minimum Net Proceeds</b>	the Minimum Gross Proceeds less the costs and expenses of the Initial Issue;
<b>Money Laundering Legislation</b>	all relevant legislation and regulations relating to money laundering and terrorist financing;
<b>Net Asset Value or NAV</b>	in relation to an Ordinary Share, its net asset value, in relation to Ordinary Shares the net asset value per Ordinary Share multiplied by the number of shares of that class in issue (excluding, for the avoidance of doubt, any Ordinary Shares held in treasury), in relation to a C Share, its net asset value, in relation to C Shares the net asset value per C Share multiplied by the number of shares of that class in issue (excluding for the avoidance of doubt, any C Shares held in treasury) and in relation to the Company, the net asset value of the Company as a whole, in each case calculated in accordance with the Company’s normal reporting policies from time to time;
<b>Net Proceeds</b>	the Gross Proceeds less the Issue Expenses;
<b>New Ordinary Shares</b>	the new Ordinary Shares to be issued pursuant to the Placing Programme or arising upon conversion of any C Shares issued pursuant to the Placing Programme;
<b>Nomination Committee</b>	the nomination committee of the Company as described in paragraph 16.6 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>Numis</b>	Numis Securities Limited;
<b>O&amp;M</b>	operation and maintenance;
<b>OECD</b>	the Organisation for Economic Co-operation and Development;
<b>OECD Accession Countries</b>	countries that have signed an accession agreement with the OECD;
<b>OECD Key Partner Countries</b>	countries considered to be “key partner” countries by the OECD;
<b>Offer for Subscription</b>	the offer for subscription to the public in the UK for Ordinary Shares on the terms and subject to the conditions set out in this document;
<b>Official List</b>	the Official List maintained by the FCA pursuant to Part VI of FSMA;
<b>offtake contract</b>	a contract under which an Offtaker agrees to buy a certain amount of the product produced by a project at an agreed price;
<b>Offtaker</b>	a purchaser of electricity and/or ROCs under a PPA;
<b>Ordinary Shares</b>	ordinary shares of £0.01 each in the capital of the Company;
<b>Panel</b>	the UK Panel on Takeovers and Mergers;

<b>Paris Accord</b>	the Paris Agreement of the United Nations Framework Convention on Climate Change 2016;
<b>Pipeline Assets</b>	the Enhanced Pipeline Assets and the Further Pipeline Assets;
<b>Placee</b>	any investor with whom Shares are placed by Numis, as agent of the Company, pursuant to the Initial Placing or the Placing Programme, as the context requires;
<b>Placing Programme</b>	the proposed programme of placings in the period from 3 February 2021 to 5 January 2022 of an aggregate number of New Ordinary Shares and/or C Shares equal in aggregate to 600 million less the number of Ordinary Shares issued under the Initial Issue as described in this document;
<b>Placing Programme Price</b>	in the case of New Ordinary Shares, such price at which the New Ordinary Shares will be issued to placees under the Placing Programme, being the last published cum income Net Asset Value per Ordinary Share at the time that the proposed issue is agreed as shall be determined by the Directors in accordance with paragraph 6 of Part 10 ( <i>Placing Programme</i> ) of this Prospectus, plus a premium intended to at least cover the associated issue costs and in the case of C Shares, 100p per C Share;
<b>PPA</b>	power purchase agreement;
<b>Portfolio</b>	the Company's portfolio of assets;
<b>PRIIPs Regulation</b>	Regulation EU No. 1286/2014 on Key information documents for packaged retail and insurance-based products;
<b>Prospectus</b>	this prospectus;
<b>Prospectus Regulation</b>	EU Regulation 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
<b>Prospectus Regulation Rules</b>	the Prospectus Regulation Rules made by FCA under section 73A of FSMA;
<b>Receiving Agent or Computershare</b>	Computershare Investor Services PLC;
<b>Receiving Agent Agreement</b>	The receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 8.6 of Part 12 (General Information) of this Prospectus;
<b>Registrar</b>	Computershare Investor Services PLC;
<b>Registrar's Agreement</b>	the registrar's agreement between the Company and the Registrar, a summary of which is set out in paragraph 8.5 of Part 12 ( <i>General Information</i> ) of this Prospectus;
<b>Regulatory Information Service or RIS</b>	a regulatory information service that is on the list of regulatory information services maintained by the FCA;
<b>Remuneration Committee</b>	the remuneration committee of the Company as described in paragraph 16.7 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>ROC</b>	renewable obligation certificate;
<b>SDG or Sustainable Development Goals</b>	the sustainable development goals published by the United Nations;
<b>Securities Act</b>	the United States Securities Act of 1933, as amended;
<b>Shareholder</b>	holder of Shares;
<b>Shares</b>	Ordinary Shares and/or C Shares;

<b>SIPP</b>	self-invested personal pension;
<b>SOE</b>	State owned enterprise;
<b>Solar PV</b>	photovoltaic solar;
<b>SPE</b>	special purpose vehicle owned in whole or in part by the Company or a member of its Group which is used as the project company for the acquisition and holding of Sustainable Energy Infrastructure Investments;
<b>SSAS</b>	small self-administered pension scheme;
<b>Statutes</b>	the Act as amended and every other statute for the time being in force concerning companies and affecting the Company;
<b>Subsequent Admission</b>	Admission of Ordinary Shares and/or C Shares issued pursuant to the Placing Programme;
<b>Subsequent Issue</b>	any placing, open offer, offer for subscription and/or intermediaries offer of Ordinary Shares and/or C Shares pursuant to the Placing Programme;
<b>Subsequent Placing</b>	any placing of Ordinary Shares and/or C Shares pursuant to the Placing Programme described in this Prospectus;
<b>Sustainable Energy Infrastructure Investment</b>	the meaning given to it in paragraph 4 of Part 7 ( <i>The Company</i> ) of this Prospectus;
<b>Takeover Code</b>	the City Code on Takeovers and Mergers, as amended from time to time;
<b>Target Market Assessment</b>	the meaning given in Part 2 ( <i>Important Information</i> ) of this Prospectus;
<b>Target Total Return</b>	the targets for Net Asset Value total return adopted by the Company as at the date of this Prospectus, as follows: <ul style="list-style-type: none"> <li>(a) an annual dividend of 5p per Ordinary Share in respect of the financial year ending 31 December 2022; and</li> <li>(b) capital growth that, once the Net Proceeds have been fully invested, results in a Net Asset Value total return of 10 per cent. per annum, in each case calculated net of the Company's costs and expenses;*</li> </ul>
<b>Tax Code</b>	the US Internal Revenue Code of 1986, as amended;
<b>The SDGs</b>	the sustainable development goals of the United Nations;
<b>Underlying Applicants</b>	investors who wish to acquire Ordinary Shares under the Intermediaries Offer who are clients of any Intermediary;
<b>United States or U.S.</b>	the United States of America, its possessions or territories, any State of the United States of America and the district of Columbia or any area subject to its jurisdiction or any political subdivision thereof;
<b>U.S. Person</b>	a US person as defined by Regulation S of the Securities Act;
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>VH Group</b>	Victory Hill and the other companies in its group for the purposes of section 606 of CTA;

\* This is a target and is based on current market conditions as at the date of this Prospectus only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any distributions at all. This target return should not be taken as an indication of the Company's expected or actual current or future results. The Company's actual return will depend upon a number of factors, including but not limited to the size of the Issue, the Company's net income and the Company's ongoing charges figure. Potential investors should decide for themselves whether or not the return is reasonable and achievable in deciding whether to invest in the Company. See further under the section "Risk Factors".

**Victory Hill or Investment  
Adviser**

Victory Hill Capital Advisors LLP;

**Website**

[www.vh-gseo.com](http://www.vh-gseo.com).

In this Prospectus, unless specified, all references to sterling, pounds or £ are to United Kingdom pounds sterling and all references to “p” are to United Kingdom pence sterling.

In this Prospectus any reference to any EU directive, EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (an “**EU Matter**”) which forms part of domestic law by application of the European Union (Withdrawal) Act 2018 shall be read as a reference to that EU Matter as it forms (by virtue of the European Union (Withdrawal) Act 2018) part of domestic law and as modified by domestic law from time to time. For the purposes of this paragraph, (i) “**domestic law**” shall have the meaning given in the European Union (Withdrawal) Act 2018; and (ii) any other words and expressions shall, unless the context otherwise provides, have the meanings given in the European Union (Withdrawal) Act 2018.



## APPENDIX

# VH GLOBAL SUSTAINABLE ENERGY OPPORTUNITIES PLC

(the “Company”)

### NOTES ON HOW TO COMPLETE THE APPLICATION FORM

All applicants must complete the Application Form.

Applications should be returned so as to be received no later than 11.00 a.m. (London time) on 27 January 2021

**HELP DESK:** If you have a query concerning completion of the Application Form please call the Receiving Agent on 0370 703 0333 or from outside the UK on +44 370 703 0333.

#### 1. APPLICATION

Fill in (in figures) in Box 1 the number of Ordinary Shares you wish to subscribe for at the Issue Price being 100 pence per Ordinary Share. The number being subscribed for must be a minimum of £1,000 and thereafter in multiples of 100 Ordinary Shares. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is made.

#### 2A. HOLDER DETAILS

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at section 3.

#### 2B. CREST

If you wish your Ordinary Shares to be deposited in a CREST account in the name of the holders given in section 2A enter in section 2B the details of that CREST account. Where it is requested that Ordinary Shares be deposited into a CREST account please note that payment for such Ordinary Shares must be made prior to the day such Ordinary Shares might be allotted and issued. It is not possible for an applicant to request that Ordinary Shares be deposited in their CREST account on an against payment basis. Any Application Form received containing such a request will be rejected.

#### 3. SIGNATURE

All holders named in section 2A must sign section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

#### 4. SETTLEMENT

##### (a) Electronic Bank Transfers

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 1.00 p.m. on 28 January 2021. Applicants wishing to make a CHAPS payment should contact Computershare by email at [OFSPaymentqueries@computershare.co.uk](mailto:OFSPaymentqueries@computershare.co.uk) for full bank details. Applicants will be provided with a unique reference number which must be used when making the payment.

**(b) CREST Settlement**

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertified form to be enabled for CREST transfer and settlement with effect from Admission (the “**Settlement Date**”). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Application Form in the Appendix contains details of the information which the Receiving Agent will require from you in order to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for the Receiving Agent to match to your CREST account, Receiving Agent will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with Receiving Agent, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by the Receiving Agent in connection with CREST.

The person named for registration purposes in your Application Form (which term shall include the holder of the relevant CREST account) must be: (i) the person procured by you to subscribe for or acquire the relevant Ordinary Shares; or (ii) yourself; or (iii) a nominee of any such person or yourself, as the case may be. Neither the Receiving Agent nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. The Receiving Agent, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned by you or your settlement agent/custodian of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price per Ordinary Share through the CREST system upon the Settlement Date.

By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 2 February 2021 against payment of the Issue Price per Ordinary Share. Failure by you to do so will result in you being charged interest at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in sterling plus 2 per cent. per annum.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	27 January 2021
Settlement Date:	2 February 2021
Company:	VH GLOBAL SUSTAINABLE ENERGY OPPORTUNITIES PLC
Security Description:	Ordinary Shares of £0.01 each
SEDOL:	BNKVP75
ISIN:	GB00BNKVP754

Should you wish to settle DVP, you will need to match your instructions to the Receiving Agent's participant account 8RA08 by no later than 1.00 p.m. on 28 January 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

## **5. RELIABLE INTRODUCER DECLARATION**

Applications will be subject to the UK's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.

## **6. IDENTITY INFORMATION**

Applicants need only consider section 6 of the Application Form if the declaration in section 5 cannot be completed. Notwithstanding that the declaration in section 5 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be originally certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm of accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

## **7. CONTACT DETAILS**

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

## **INSTRUCTIONS FOR THE DELIVERY OF COMPLETED APPLICATION FORMS**

Completed Application Forms should be returned, by post to Computershare Corporate Actions Projects, Bristol, BS99 6AH so as to be received no later than 11.00 a.m. on 27 January 2021, together with payment in full in respect of the application. If you post your Application Form you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

**APPENDIX – OFFER FOR SUBSCRIPTION APPLICATION FORM**

Please send this completed form by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH so as to be received no later than 11.00 a.m. (London time) on 27 January 2021.

The Directors may, with the prior approval of Numis, alter such date and thereby shorten or lengthen the offer period. In the event that the offer period is altered, the Company will notify investors of such change.

Important: Before completing this form, you should read the Prospectus dated 6 January 2021 and the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus and accompanying notes to this form.

To: VH Global Sustainable Energy Opportunities plc and the Receiving Agent

FOR OFFICIAL USE ONLY  
Log No.

Box 1 (minimum of £1,000 and in multiples of £100 thereafter)

**1. APPLICATION**

I/We the person(s) detailed in section 2A below offer to subscribe the amount shown in Box 1 (above) for Ordinary Shares subject to the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus dated 6 January 2021 and subject to the articles of association of the Company in force from time-to-time.

**2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED  
(BLOCK CAPITALS)**

1	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode		Designation (if any):
2	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode		Designation (if any):

3	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode	Designation (if any):	

4	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode	Designation (if any):	

**2B. CREST ACCOUNT DETAILS INTO WHICH ORDINARY SHARES ARE TO BE DEPOSITED (IF APPLICABLE)**

Only complete this section if Ordinary Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in Section 2A.

(BLOCK CAPITALS)

CREST Participant ID: 

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CREST Member Account ID: 

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**3. SIGNATURE(S): ALL HOLDERS MUST SIGN**

By completing box 3 below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 14 (*Terms and Conditions of Application under the Offer for Subscription*) of the Prospectus and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:	Date:
Second Applicant Signature:	Date:
Third Applicant Signature:	Date:
Fourth Applicant Signature:	Date:

Execution by a Company

Executed by (Name of Company):		Date:
Name of Director:	Signature:	Date:
Name of Director/Secretary:	Signature:	Date:
If you are affixing a company seal, please mark a cross <input type="checkbox"/>	Affix Company Seal here:	

**4. SETTLEMENT**

Please tick the relevant box confirming your method of payment

**4A. ELECTRONIC BANK TRANSFER ☐**

If you are subscribing for Ordinary Shares and sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 1.00 p.m. on 28 January 2021. Please contact Computershare by email at [OFSpaymentqueries@computershare.co.uk](mailto:OFSpaymentqueries@computershare.co.uk) for full bank details. You will be provided with a unique reference number which must be used when making the payment.

Please enter below the sort code of the bank and branch you will be instructing to make such payment for the value by 1.00 p.m. on 28 January 2021 together with the name and number of the account to be debited with such payment and the branch contact details.

Sort Code:	Account name:
Account number:	Bank Name and Address:

**4B. SETTLEMENT BY DELIVERY VERSUS. PAYMENT (DVP)**

Only complete this section if you choose to settle your application within CREST, that is delivery versus payment (DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching, which should match that shown in 2B above, together with the relevant Member Account ID.

**(BLOCK CAPITALS)**

CREST Participant ID: 

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CREST Member Account ID: 

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You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment at the Issue Price per Ordinary Share, following the CREST matching criteria set below:

Trade Date:	27 January 2021
Settlement Date:	2 February 2021
Company:	VH GLOBAL SUSTAINABLE ENERGY OPPORTUNITIES PLC
Security Description:	Ordinary Shares of £0.01 each
SEDOL:	BNKVP75
ISIN:	GB00BNKVP754

Should you wish to settle DVP, you will need to match your instructions to Computershare's Participant account 8RA08 by no later than 1.00 p.m. on 28 January 2021.

You must also ensure that you or your settlement agent/custodian have a sufficient "debit cap" within the CREST system to facilitate settlement in addition to you/their own daily trading and settlement requirements.

## 5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "**firm**") which is itself subject to its own country to operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom.

**DECLARATION:****To the Company and the Receiving Agent**

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also a holder (collectively the “**subjects**”) WE HEREBY DECLARE:

1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;
2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
3. each of the subjects is known to us in a business capacity and we have undertaken identity checks on each of them within the last two years and we undertake to immediately provide to you copies of such checks on demand;
4. we confirm the accuracy of the names and residential/business address(es) of the holder(s) given at section 2A;
5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares mentioned; and
6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:	Name:	Position:
Name of regulatory authority:		Firm's licence number:
Website address or telephone number of regulatory authority:		
STAMP of firm giving full name and business address:		

**6. IDENTITY INFORMATION**

If the declaration in section 5 cannot be signed and the value of your application is greater than €15,000 (or the sterling equivalent), please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

Holders				Payor

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

**A. For each holder being an individual enclose:**

- (1) an original or an originally certified clear photocopy of a current passport which bears both a photograph and the signature of the person; and
- (2) an original or an originally certified copy of one of the following documents, which is no more than 3 months old and which purports to confirm that the address given in section 2A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and
- (3) if none of the above documents show their dates and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

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**B. For each holder being a company (a “holder company”) enclose:**

- (1) an originally certified copy of the certificate of incorporation of the holder company; and
- (2) the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (3) an originally signed statement as to the nature of the holder company's business, signed by a director; and
- (4) an originally certified list of the names and residential addresses of each director of the holder company; and
- (5) for each director provide originally certified documents and information similar to that mentioned in A above; and
- (6) an originally certified copy of the most recent authorised signatory list for the holder company; and
- (7) an originally certified list of the names and residential/registered address of each ultimate beneficial owner interested in more than 10 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

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**C. For each person named in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).**

**D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:**

- |     |  |   |
|-----|--|---|
| (1) | an originally certified copy of the certificate of incorporation of that beneficiary company; and  | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |
| (2) | an originally signed statement as to the nature of that beneficiary company's business signed by a director; and   | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |
| (3) | the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and   | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |
| (4) | an originally certified list of the names and residential/registered address of each beneficial owner owning more than 10 per cent. of the issued share capital of that beneficiary company. | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |

**E. If the payor is not a holder and is not a bank providing its own banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:**

- |     |  |   |
|-----|--|---|
| (1) | if the payor is a person, for that person the documents mentioned in A(1) to (4); or   | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |
| (2) | if the payor is a company, for that company the documents mentioned in B(1) to (7); and  | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |
| (3) | an originally signed detailed explanation of the relationship between the payor and the holder(s) and the rationale for funds being remitted from a third party. | <table border="1" style="display: inline-table; width: 100px; height: 20px;"></table> |

The Receiving Agent reserves the right to ask for additional documents and information.

## 7. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	E-mail address:
Contact address:	
	Postcode:
Telephone No:	Fax No:

