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**THIS ANNOUNCEMENT HAS BEEN DETERMINED TO CONTAIN INSIDE INFORMATION.**

*This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or to buy shares in any jurisdiction. This announcement is an advertisement and not a prospectus. Attention is drawn to the terms and conditions at the bottom of this announcement.*

**4 October 2018**

**Foresight Solar Fund Limited (the "Company")**

**Proposed Placing of Ordinary Shares and NAV Announcement**

Further to the announcement of 4 September 2018 and the Extraordinary General Meeting on 24 September 2018 (the "**EGM**"), the Board of Directors of Foresight Solar Fund Limited (the "**Board**") announces its intention to raise a target amount in excess of £34 million by way of a placing of new ordinary shares of no par value in the Company ("**New Shares**") (the "**Placing**"). The Placing will be conducted under the Company's shareholder authorities granted at the EGM to issue up to 53,994,250 Ordinary Shares on a non pre-emptive basis.

The Company also announces its unaudited NAV as at 31 August 2018 of £523.4 million (30 June 2018: £473.1 million), resulting in an NAV of 105.8 pence per existing Ordinary Share (30 June 2018: 105.2 pence).

The issue price of the New Shares will be 107.5 pence per New Share (the "**Placing Price**"). The Placing Price represents a premium to the 31 August 2018 NAV of approximately 1.6 per cent and a discount of approximately 4.0 per cent to the closing share price prior to the announcement of 4 September of 112.0 pence. The Placing Price is greater than the total of the latest unaudited NAV plus the estimated costs of the Placing and is therefore expected to be accretive to the NAV attributable to existing shareholder.

**Use of Proceeds**

As previously announced on 4 September 2018, the Company has secured exclusivity over a portfolio of 10 operational solar assets in the UK with a total installed capacity of 72 MW. Following due diligence and discussions with the vendor, the Company has agreed, subject to contract, to proceed with the acquisition of nine of the 10 assets, which represents 65.7 MW.

In addition, as announced earlier on 6 August 2018, the Company had retained exclusivity over a portfolio of three operational assets that it had previously identified with a total installed capacity of 20 MW. Following completion of due diligence on these assets, the Company has agreed, subject to contract, to proceed with the acquisition of two of the three assets representing 15.2 MW.

In total, the 11 operational assets that the Company intends to acquire represents 80.9 MW and are all located in the UK. The equity interest of the 11 operational assets to be purchased is proposed to be acquired for a consideration of approximately £34 million (the "**Acquisition**"), including the economic benefit of all cashflows from 31 March 2018. The assets will be acquired from funds managed by Foresight Group LLP.

The assets subject to the Acquisition currently have debt facilities in place totaling £69.8 million, the majority of which is provided by the Royal Bank of Scotland. All of these debt facilities have been arranged on an asset by asset basis and do not benefit from cross-collateralisation. These existing debt facilities expire either on or before 30 September 2019 and it is the Company's intention to refinance these facilities before the end of June 2019.

The Company aims to use the Placing proceeds to fund the Acquisition and reduce the Group's gearing by repaying some of the Company's existing Bank Facilities that have been drawn down. The Placing is not conditional on the completion of the Acquisition and the Company reserves the right not to proceed with the Acquisition. Accordingly, there is no minimum size required for the Placing to proceed. In the event the Acquisition does not complete, the Company will use the net proceeds of the Placing to acquire further ground based solar power assets in accordance with the Company's investment policy and/or to reduce the Group's gearing by repaying some of the existing Bank Facilities. The maximum number of Ordinary Shares that may be issued under the Placing is 53,994,250 Ordinary Shares.

Assuming completion of the Acquisition, the Company's solar portfolio will represent a total of 869 MW of installed capacity across 54 solar power assets which is expected to further drive efficiencies of scale in terms of ongoing operational costs.

Stifel Nicolaus Europe Limited ("**Stifel**") is acting as financial adviser and sole bookrunner to the Company. The Placing will be non pre-emptive and shall commence immediately following this announcement.

Unless otherwise defined, the terms in this announcement shall have the same meaning as set out in the Company's circular published on 7 September 2018.

### **Net Asset Value Update**

The increase in NAV to 105.8 pence per existing Ordinary Share is mainly attributable to an upward revision of the forward-looking power price assumptions since the date of the last NAV publication at 30 June 2018 and the positive impact of the 114 MW portfolio acquisition announced on 6 August 2018.

Relative to the 30 June 2018 NAV, the 31 August NAV has been reduced by the payment of the first interim dividend for 2018 of 1.64 pence per Ordinary Share, but includes further accrued income for the period from 30 June 2018 until 31 August 2018. The Company's equity discount rate used to value its UK assets remains unchanged at 7.0% unlevered and 7.75% for levered assets. The levered discount rate for the Australian portfolio remains unchanged at 8.5%. The Gross Asset Value including Company and subsidiaries as at 31 August 2018 was £909.0 million (30 June 2018: £749.0 million).

The Company's total outstanding debt as of 31 August 2018 was £421.5 million, including long-term debt of £316.5 million and Revolving Credit Facilities of £105 million.

### **Dividends**

For the avoidance of doubt, Qualified Investors who participate in the Placing will be entitled to the dividend of 1.64 pence per Share in respect of the second interim dividend for 2018, for the quarter to 30 June 2018 which was declared on 21 August 2018, to be paid on 23 November 2018, with an ex-dividend date of 8 November 2018 and a record date of 9 November 2018.

The Company remains on target to deliver an annual dividend of 6.58 pence per Share for the year ending 31 December 2018.

### **Further Details of the Placing**

A new prospectus is not a UK Listing Authority requirement in respect of the Placing. This announcement, together with the previous Prospectus forms the offer document in relation to the new Ordinary Shares in accordance with the Collective Investment Funds (Certified Funds - Prospectuses) (Jersey) Order 2012.

Application will be made for the admission of the New Shares to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed

securities. Participation in the Placing will only be available to persons in member states of the EEA who are qualified investors as defined in article 2.1(e) of the Prospectus Directive ("**Qualified Investors**").

Qualified Investors who wish to participate in the Placing should communicate their firm interest to their usual sales contact at Stifel. The decision to allot any New Shares to any Qualified Investors shall be at the discretion of the Company and Stifel. The Company reserves the right, after consultation with Stifel and the Investment Manager, to scale back applications under the Placing at their absolute discretion in such amounts as they consider appropriate.

By choosing to participate in the Placing and by making an oral and legally binding offer to subscribe for New Shares, investors will be deemed to have read and understood this announcement and any subsequent announcement related to the Placing (including the Terms and Conditions of the Placing in the Appendix), in its entirety and to be making such offer on the terms and subject to the conditions in this announcement, and to be providing the representations, warranties and acknowledgements contained therein.

### **Expected Timetable**

The timetable is subject to change at the discretion of the Company and Stifel.

Placing opens	4 October 2018
Latest time and date for receipt of Placing commitments	1:00pm on 17 October 2018
Results of Placing announced and Trade Date	18 October 2018
Settlement and Admission of New Shares	22 October 2018

The dates and times specified above are subject to change. In particular, the Directors may (with the prior approval of Stifel) bring forward or postpone the closing time and date for the Placing. In the event that a date or time is changed, the Company will notify persons who have applied for New Shares of changes to the timetable either by electronic mail or by the publication of a notice through a Regulatory Information Service. References to times are to London times unless otherwise stated.

### **Other Information**

Prior publications and announcements released by the Company are available on the Company's website: <http://fsfl.foresightgroup.eu/>

LEI: 213800VO4083JVSSOX33

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## **Appendix 1 – Terms and Conditions of the Placing**

### **Disclaimer**

**MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THE APPENDIX ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("EEA") WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(1)(E) OF EU DIRECTIVE 2003/71/EC AND AMENDMENTS THERETO (THE "PROSPECTUS DIRECTIVE") ("QUALIFIED INVESTORS") AND (B) IF IN THE UNITED KINGDOM, PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONALS" IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"), OR ARE HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS OR PARTNERSHIPS OR TRUSTEES OF HIGH VALUE TRUSTS AS DESCRIBED IN ARTICLE 49(2) OF THE ORDER AND (II) ARE "QUALIFIED INVESTORS" AS DEFINED IN SECTION 86 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA") AND (C) OTHERWISE, TO PERSONS TO WHOM IT MAY OTHERWISE BE LAWFUL TO COMMUNICATE IT TO (EACH A "RELEVANT PERSON"). NO OTHER PERSON SHOULD ACT OR RELY ON THIS ANNOUNCEMENT AND PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. BY ACCEPTING THE TERMS OF THIS ANNOUNCEMENT YOU REPRESENT AND AGREE THAT YOU ARE A RELEVANT PERSON. THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THE TERMS AND CONDITIONS SET OUT IN THE APPENDIX RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THE APPENDIX DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.**

**THE NEW SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"), OR UNDER THE APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, TAKEN UP, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY WITHIN, INTO OR IN THE UNITED STATES, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND IN COMPLIANCE WITH THE SECURITIES LAWS OF ANY RELEVANT STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE NEW SHARES IN THE UNITED STATES.**

**EACH PLACEE SHOULD CONSULT ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS, FINANCIAL AND RELATED ASPECTS OF A SUBSCRIPTION FOR THE NEW SHARES.**

Persons who are invited to and who choose to participate in the Placing, by making an oral or written offer to subscribe for New Shares, including any individuals, funds or others on whose behalf a commitment to subscribe for New Shares is given ("**Placees**"), will be deemed to have read and understood this announcement in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements and undertakings, contained in this Appendix. In particular each such Placee represents, warrants and acknowledges that:

(a) it is a Relevant Person (as defined above) and undertakes that it will subscribe for, hold, manage or dispose of any New Shares that are allocated to it for the purposes of its business; and

(b) if it is in a member state of the EEA and/or if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that any New Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in any member state of the EEA in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors (as defined above), or in circumstances in which the prior consent of Stifel has been given to each such proposed offer or resale.

Stifel (the "**Sole Bookrunner**") does not make any representation to any Placees regarding an investment in the New Shares.

#### 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 ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; 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 Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares 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 MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (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 Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Stifel 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 MiFID II; 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.

#### Details of the Placing Agreement and of the New Shares

The Sole Bookrunner, the Company and the Investment Manager have entered into a placing agreement (the "**Placing Agreement**") under which, on the terms and subject to the conditions set out therein, the Sole Bookrunner have agreed, as agent for and on behalf of the Company, to use reasonable endeavours to procure placees (the "**Placees**") for up to 53,994,250 New Shares at a price to be determined following completion of a bookbuild process (the "**Placing**").

The New Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares in the capital of the Company (the "**Ordinary Shares**"), including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of admission of the New Shares.,

#### Applications for listing and admission to trading

Applications will be made to the FCA for admission of the New Shares to the premium listing segment of the Official List of the UK Listing Authority (the "**Official List**") and to London Stock Exchange plc (the "**London Stock Exchange**") for admission of the New Shares to trading on its main market for listed securities (together, "**Admission**"). It is expected that Admission will become effective on or around 8.00 a.m. on 22 October 2018 and that dealings in the New Shares will commence at that time.

#### Bookbuild

The Sole Bookrunner will today commence the bookbuilding process for participation in the Placing by Placees (the "**Bookbuild**"). This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any New Shares.

The Sole Bookrunner shall be entitled to effect the Placing by such alternative method to the Bookbuild as it may, in its absolute discretion following consultation with the Company and the Investment Manager, determine.

#### Participation in, and principal terms of, the Placing

1. Stifel is acting as sole bookrunner and agent of the Company in connection with the Placing.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by the Sole Bookrunner. The Sole Bookrunner and its affiliates are entitled to enter bids in the Bookbuild as principal.
3. A single price of 107.5 pence per New Share shall be payable to the Sole Bookrunner as agent for the Company by all Placees whose bids are successful (the "**Placing Price**"). The results of the Placing will be announced on a Regulatory Information Service ("**RIS**") following the completion of the Bookbuild (the "**Placing Results Announcement**").
4. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone to their usual sales contact at the Sole Bookrunner. Each bid should state the number of New Shares which the prospective Placee wishes to subscribe for at the Placing Price. Bids may be scaled down by the Sole Bookrunner on the basis referred to in paragraph 8 below.
5. A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with the Sole Bookrunner's consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee's obligations will be owed to the Company and the Sole Bookrunner. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the Sole Bookrunner as agent of the Company, to pay in cleared funds immediately on the settlement date, in accordance with the registration and settlement requirements set out below, an amount equal to the product of the Placing Price and the number of New Shares such Placee has agreed to subscribe for and the Company has agreed to allot.
6. The Bookbuild is expected to close no later than 1:00pm (London time) on 17 October 2018, but may be closed earlier or later at the discretion of the Sole Bookrunner. The Sole Bookrunner may, in agreement with the Company and the Investment Manager, accept bids that are received after the Bookbuild has closed.
7. Each prospective Placee's allocation will be determined by the Sole Bookrunner (in consultation with the Company and the Investment Manager) and will be confirmed orally by the Sole Bookrunner (as agent for the Company) following the close of the Bookbuild and a trade confirmation will be despatched thereafter. This oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon that person (who will at that point become a Placee) in favour of the Sole Bookrunner and the Company to subscribe for the number of New Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. All obligations under the Bookbuild and Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement". By participating in the Bookbuild, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
8. The Sole Bookrunner may choose to accept bids, either in whole or in part, on the basis of allocations determined in agreement with the Company and may scale down any bids for this purpose on such basis as it may determine. The Sole Bookrunner may also, notwithstanding paragraphs 4 and 5 above and subject to prior consent of the Company (i) allocate New Shares after the time of any initial allocation to any person submitting a bid after that time and (ii) allocate New Shares after the Bookbuild has closed to any person submitting a bid after that time. The Company reserves the right (upon agreement with the Sole Bookrunner) to reduce or seek to increase the amount to be raised pursuant to the Placing, in its absolute discretion.
9. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all New Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and settlement".
10. Except as required by law or regulation, no press release or other announcement will be made by the Sole Bookrunner or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
11. To the fullest extent permissible by law, neither the Sole Bookrunner nor any of its affiliates, agents, directors, officers or employees shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither the Sole Bookrunner nor any of its affiliates, agents, directors, officers or employees shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of the conduct of the Bookbuild or of such alternative method of effecting the Placing as the Sole Bookrunner and the Company may agree.

### **Conditions of the Placing**

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The obligations of the Sole Bookrunner under the Placing Agreement in respect of the New Shares is conditional on, inter alia:

(a) agreement being reached between the Company and the Sole Bookrunner on the number of New Shares to be issued pursuant to the Placing;

(b) none of the representations and warranties of the Company and the Investment Manager contained in the Placing Agreement being untrue and inaccurate or misleading (in the good faith opinion of the Sole Bookrunner) on the date of the Placing Agreement and at all times before Admission by reference to the facts and circumstances then subsisting, in each case in a manner, or to an extent, which is material;

(c) each of the Company and the Investment Manager complying with its obligations under the Placing Agreement to the extent the same fall to be performed prior to Admission;

(d) the Company allotting, subject only to Admission, the New Shares to the Placees in accordance with the Placing Agreement; and

(e) Admission taking place by not later than 8.00 a.m. (London time) on 22 October 2018.

If (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled (or, where permitted, waived or extended in writing by the Sole Bookrunner or have become incapable of fulfilment on or before the date or time specified for the fulfilment thereof (or such later date and/or time as the Sole Bookrunner may agree), or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the New Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof. Any such extension or waiver will not affect Placees' commitments as set out in this announcement.

Neither the Sole Bookrunner nor any of its affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Sole Bookrunner.

### **Right to terminate under the Placing Agreement**

At any time before Admission, the Sole Bookrunner is entitled to terminate the Placing Agreement by giving notice in writing to the Company and the Investment Manager if, amongst other things, in its opinion (acting in good faith and following consultation with the Company to the extent practicable)

(i) any of the Company's or the Investment Manager's warranties or representations contained in the Placing Agreement are not or cease to be true and accurate or have become misleading, in each case in a manner, or to an extent, which is material in the good faith opinion of the Sole Bookrunner; or  
(ii) there is a material breach by the Company or the Investment Manager of their respective obligations under the Placing Agreement; or (iii) there has been a material adverse change in the condition, financial, operational or otherwise, or in the earnings, management, business affairs, business prospects or financial prospects of the Company and its subsidiaries, or the Investment Manager and its subsidiaries, whether or not arising in the ordinary course of business, since the date of the Placing Agreement; or (iv) the occurrence of a force majeure or market disruption event as specified in the Placing Agreement which is of such severity or magnitude as to make it impracticable or inadvisable to proceed with the Placing or which the Sole Bookrunner considers to be material.

Upon such notice being given, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

By participating in the Placing, Placees agree that the exercise by the Sole Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within its absolute discretion and that it does not need to make any reference to Placees and that the Sole Bookrunner shall not have any liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

### **No Prospectus**

No offering document or prospectus has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing and no such prospectus is required (in

accordance with the Prospectus Directive) to be published and Placees' commitments will be made solely on the basis of the information contained in this announcement (including this Appendix) released by the Company today and any information publicly announced to a RIS by or on behalf of the Company on or prior to the date of this announcement and subject to the further terms set forth in the contract note to be provided to individual prospective Placees.

Each Placee, by accepting a participation in the Placing, agrees that the content of this announcement (including this Appendix) is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company, the Investment Manager or the Sole Bookrunner or any other person and none of the Company, the Investment Manager, the Sole Bookrunner or any of their respective affiliates will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company and the Investment Manager in accepting a participation in the Placing. Nothing in this paragraph shall exclude or limit the liability of any person for fraudulent misrepresentation by that person.

### **Registration and settlement**

Settlement of transactions in the New Shares following Admission will take place within the system administered by Euroclear UK & Ireland Limited ("**CREST**"), subject to certain exceptions. The Sole Bookrunner and the Company reserve the right to require settlement for and delivery of the New Shares (or a portion thereof) to Placees in certificated form if delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Following the close of the Bookbuild for the Placing, each Placee allocated New Shares in the Placing will be sent a contract note stating the number of New Shares to be allocated to it at the Placing Price and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions that it has in place with the Sole Bookrunner.

The Company will deliver the New Shares to a CREST account operated by Stifel as the Company's agent and on 22 October 2018 will enter its delivery (DEL) instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant New Shares to that Placee against payment.

It is expected that settlement will be on 22 October 2018 on a delivery versus payment basis in accordance with the instructions set out in the trade confirmation.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Sole Bookrunner.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Sole Bookrunner (as agent for the Company) may sell any or all of the New Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Company's account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) or other similar taxes imposed in any jurisdiction which may arise upon the sale of such New Shares on such Placee's behalf.

If New Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as New Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such New Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees shall not be entitled to receive any fee or commission in connection with the Placing.

### **Representations and warranties and further terms**



By participating in the Placing, each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with the Sole Bookrunner (in its capacity as a bookrunner and agent of the Company, in each case as a fundamental term of its application for New Shares), the following:

- (a) it has read and understood this announcement, including this Appendix, in its entirety and that its acquisition of New Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this announcement;
- (b) that no offering document or prospectus has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Bookbuild, the Placing or the New Shares;
- (c) the Placing does not constitute a recommendation or financial product advice and the Sole Bookrunner has not had regard to its particular objectives, financial situation and needs;
- (d) that the Ordinary Shares in the capital of the Company are listed on the premium listing segment of the Official List of the UK Listing Authority and admitted to trading on the main market of the London Stock Exchange, and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the FCA and that it is able to obtain or access such information, or comparable information concerning any other publicly traded company, in each case without undue difficulty;
- (e) that none of the Company, the Investment Manager, the Sole Bookrunner any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and none of them will provide, it with any material regarding the New Shares or the Company or any other person other than this announcement, nor has it requested the Sole Bookrunner, the Company, the Investment Manager, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such information;
- (f) unless otherwise specifically agreed with the Sole Bookrunner, that it is not, and at the time the New Shares are subscribed for, neither it nor the beneficial owner of the New Shares will be, a resident of Australia, Canada, Japan or South Africa and further acknowledges that the New Shares have not been and will not be registered under the securities legislation of Australia, Canada, Japan or South Africa and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in or into those jurisdictions;
- (g) that it is not within the United States and will not be within the United States at the time that any buy order for New Shares is originated by it; (ii) is acquiring the New Shares in an "offshore transaction" as defined in Regulation S under the US Securities Act; and (iii) is not acquiring any of the New Shares as a result of any form of "directed selling efforts" (within the meaning of Regulation S under the US Securities Act);
- (h) it is not within Australia, Canada, Japan South Africa or any other jurisdiction in which it is unlawful to make or accept an offer to subscribe for the New Shares, and it will not offer or sell such New Shares into any such jurisdiction;
- (i) that the content of this announcement is exclusively the responsibility of the Company and that neither the Sole Bookrunner nor any of its affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this announcement or any information previously or subsequently published by or on behalf of the Company or the Investment Manager, including, without limitation, any information required to be published by the Company pursuant to applicable laws (the "**Exchange Information**") and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the New Shares is contained in this announcement and any information previously published by the Company by notification to a RIS, such information being all that it deems necessary to make an investment decision in respect of the New Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by the Sole Bookrunner, the Investment Manager or the Company and neither the Sole Bookrunner, the Investment Manager or the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information,

representation, warranty or statement. Each Placee further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing. None of the Company, the Investment Manager, the Sole Bookrunner or any of their respective affiliates has made any representations to it, express or implied, with respect to the Company, the Investment Manager, the Placing and the New Shares or the accuracy, completeness or adequacy of the Exchange Information, and each of them expressly disclaims any liability in respect thereof. Nothing in this paragraph or otherwise in this announcement excludes the liability of any person for fraudulent misrepresentation made by that person;

(j) that it has complied with its obligations under the Criminal Justice Act 1993 and all other applicable market abuse and insider dealing legislation and in connection with money laundering and terrorist financing under the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 and 2013 of Ireland, the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Terrorism Act 2006, the Money Laundering Regulations 2007 (the "Regulations") and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

(k) that it is acting as principal only in respect of the Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person; and (ii) it is and will remain liable to the Company and/or the Sole Bookrunner for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);

(l) if a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that the New Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in a member state of the EEA other than Qualified Investors, or in circumstances in which the prior consent of the Sole Bookrunner has been given to the proposed offer or resale;

(m) that it has not offered or sold and will not offer or sell any New Shares to the public in any member state of the EEA except in circumstances falling within Article 3(2) of the Prospectus Directive which do not result in any requirement for the publication of a prospectus pursuant to Article 3 of that Directive;

(n) that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the New Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;

(o) that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the New Shares in, from or otherwise involving, the United Kingdom;

(p) if in a member state of the EEA, unless otherwise specifically agreed with the Sole Bookrunner in writing, that it is a Qualified Investor;

(q) if in the United Kingdom, that it is a person (i) having professional experience in matters relating to investments and who falls within the definition of "investment professionals" in Article 19(5) of the Order; or (ii) who is a high net worth entity falling within Article 49 of the Order; or (iii) to whom this announcement may otherwise lawfully be communicated;

(r) that no action has been or will be taken by either the Company, the Investment Manager or the Sole Bookrunner or any person acting on behalf of the Company, the Investment Manager or the Sole Bookrunner that would, or is intended to, permit a public offer of the New Shares in any country or jurisdiction where any such action for that purpose is required;

(s) that it and any person acting on its behalf is entitled to subscribe for the New Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Sole Bookrunner, the Company, the Investment Manager or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

(t) that it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement) and will honour such obligations;

(u) that it (and any person acting on its behalf) will make payment for the New Shares allocated to it in accordance with this Appendix on the due time and date set out herein, failing which the relevant New Shares may be placed with other persons or sold as the Sole Bookrunner may in its absolute discretion determine and without liability to such Placee;

(v) that its allocation (if any) of New Shares will represent a maximum number of New Shares which it will be entitled, and required, to subscribe for, and that the Sole Bookrunner or the Company may call upon it to subscribe for a lower number of New Shares (if any), but in no event in aggregate more than the aforementioned maximum;

(w) that the person whom it specifies for registration as holder of the New Shares will be (i) itself or (ii) its nominee, as the case may be. None of the Company, the Investment Manager or the Sole Bookrunner will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company, the Investment Manager and the Sole Bookrunner in respect of the same on an after-tax basis on the basis that the New Shares will be allotted to the CREST stock account of Stifel who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;

(x) that neither the Sole Bookrunner, any of its affiliates or any person acting on behalf of any of them, is making any recommendations to it or, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of the Sole Bookrunner and that the Sole Bookrunner does not have any duties or responsibilities to it for providing the protections afforded to the Sole Bookrunner's clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

(y) that in making any decision to subscribe for the New Shares, it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the New Shares. It further confirms that it is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing. It further confirms that it relied on its own examination and due diligence of the Investment Manager, the Company and their respective associates taken as a whole, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of the Sole Bookrunner;

(z) that in connection with the Placing, the Sole Bookrunner and any of its affiliates acting as an investor for its own account may take up New Shares in the Company and in that capacity may subscribe for, retain, purchase or sell for its own account such Ordinary Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. The Sole Bookrunner does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so;

(aa) that in making any decision to subscribe for the New Shares, it acknowledges that the Company has been established in Jersey as a listed fund under a fast-track authorisation process and is therefore only suitable for professional or experienced investors, or those who have taken appropriate professional advice. It further acknowledges that regulatory requirements which may be deemed necessary for the protection of retail or inexperienced investors, do not apply to listed funds and it accepts the reduced requirements accordingly;

(bb) that in making any decision to subscribe for the New Shares, it is responsible for ensuring that all aspects of the Company are acceptable to it. It further acknowledges that investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. It

further confirms that it fully understands and accepts the nature of the Company and the potential risks inherent in investing in the Company;

(cc) that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreements shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the New Shares (together with any interest chargeable thereon) may be taken by the Company or the Sole Bookrunner in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;

(dd) that the Company, the Investment Manager, the Sole Bookrunner and their respective affiliates and others will rely upon the truth and accuracy of the representations, warranties and acknowledgements set forth herein and which are given to the Sole Bookrunner on its own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises the Company and the Sole Bookrunner to produce this announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;

(ee) that it will indemnify on an after-tax basis and hold the Company, the Investment Manager, the Sole Bookrunner and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;

(ff) that it has neither received nor relied on any inside information concerning the Company in accepting the invitation to participate in the Placing; and

(gg) if it is a pension fund or investment company, its acquisition of New Shares is in full compliance with applicable laws and regulations.

The foregoing representations, warranties and confirmations are given for the benefit of the Company, the Investment Manager and the Sole Bookrunner and are irrevocable. Each Placee, and any person acting on behalf of the Placee, acknowledges that none of the Company, the Investment Manager or the Sole Bookrunner owes any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

By participating in the Placing, each Placee (and any person acting on the Placee's behalf) subscribing for New Shares acknowledges that the New Shares have not been and will not be registered under the US Securities Act and that the New Shares are being offered and sold only in an "offshore transaction" within the meaning of and in reliance on Regulation S under the US Securities Act.

Please also note that the agreement to allot and issue New Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the New Shares in question. Such agreement also assumes that the New Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to issue or transfer the New Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the New Shares, stamp duty or stamp duty reserve tax or other similar taxes may be payable, for which none of the Company, the Investment Manager or the Sole Bookrunner will be responsible and the Placees shall indemnify the Company, the Investment Manager and the Sole Bookrunner on an after-tax basis for any stamp duty or stamp duty reserve tax paid by them in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify the Sole Bookrunner accordingly.

None of the Company, the Investment Manager or the Sole Bookrunner are liable to bear any transfer taxes that arise on a sale of New Shares subsequent to their acquisition by Placees or for transfer taxes arising otherwise than under the laws of the United Kingdom. Each Placee should, therefore, take its own advice as to whether any such transfer tax liability arises and notify the Sole Bookrunner accordingly. Furthermore, each Placee agrees to indemnify on an after-tax basis and hold the Sole Bookrunner, the Investment Manager and/or the Company and their respective affiliates harmless from any and all interest, fines or penalties in relation to stamp duty, stamp duty reserve tax and all other

similar duties or taxes to the extent that such interest, fines or penalties arise from the unreasonable default or delay of that Placee or its agent.

Each Placee and any person acting on behalf of each Placee acknowledges and agrees that the Sole Bookrunner or any of its affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the New Shares.

Stifel is entitled, at its discretion and out of its own resources, at any time to rebate to some or all of its investors, or to other parties, part or all of its fees relating to the Placing.

When a Placee or person acting on behalf of the Placee is dealing with the Sole Bookrunner, any money held in an account with the Sole Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from the Sole Bookrunner's money in accordance with the client money rules and will be used by the Sole Bookrunner in the course of its own business; and the Placee will rank only as a general creditor of the Sole Bookrunner.

All times and dates in this announcement may be subject to amendment by the Sole Bookrunner (in its absolute discretion). The Sole Bookrunner shall notify the Placees and any person acting on behalf of the Placees of any changes.

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