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The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Schemes Rules 2018 issued by the Guernsey Financial Services Commission ("GFSC"). The GFSC, in granting registration, has not reviewed this document but has relied upon specific warranties provided by Praxis Fund Services Limited, the Company's designated administrator.

This prospectus has been approved by the Financial Conduct Authority (the "FCA"), as competent authority under Regulation (EU) 2017/1129. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 and such approval should not be considered as an endorsement of the issuer nor the quality of the securities that is the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Directors of the Company, whose names appear on page 28 of this document, and the Company each accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

ALTERNATIVE LIQUIDITY FUND LIMITED

*(incorporated in the Island of Guernsey under the Companies (Guernsey) Law, 2008,
as amended, as a non-cellular company limited by shares with registered number 60552
and registered as a registered closed-ended collective investment scheme with the GFSC)*

Placing Programme of up to 100 million new Ordinary Shares

Investment Manager
WARANA CAPITAL, LLC

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for the Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the Main Market. It is expected that such admissions will become effective in relation to any Ordinary Shares issued under the Placing Programme, and dealings for normal settlement in such Ordinary Shares will commence, as soon as practicable following the allotment of such Ordinary Shares.

This Prospectus is not being sent to investors with registered addresses in Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States, and does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Prospectus is not for release, publication or distribution in or into Canada, Australia, the Republic of South Africa, New Zealand, Japan or, except in the limited circumstances described below, the United States.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act"), and investors will not be entitled to the benefits of the Investment Company Act. The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or with any other securities regulatory authority of any state or other jurisdiction of the United States, or under the applicable securities laws of Canada, Australia, the Republic of South Africa, New Zealand or Japan and, except as set forth below, may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, or to any national, resident or citizen of Canada, Australia, the Republic of South Africa, New Zealand or Japan. In connection with the Offer for Subscription, Ordinary Shares will be offered and sold only outside the United States to, and for the account or benefit of, non-US Persons in "offshore transactions" within the meaning of, and in reliance on, Regulation S under the Securities Act. In connection with the Placing Programme, Ordinary Shares will be offered and sold only: (i) outside the United States to, and for the account or benefit of, non-US Persons in "offshore transactions" within the meaning of, and in reliance on, Regulation S under the Securities Act, and (ii) in a concurrent private placement in the United States to a limited number of "qualified institutional buyers" as defined in Rule 144A under the Securities Act that are also "qualified purchasers" within the meaning of section 2(a)(51) of the Investment Company Act and the rules thereunder.

Dickson Minto W.S., which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is the sponsor and solicitor to the Company. Dickson Minto W.S. is not acting for any other person in connection with the Placing Programme. Apart from the responsibilities and liabilities, if any, which may be imposed on Dickson Minto W.S. by FSMA or the regulatory regime established thereunder, Dickson Minto W.S. will not be responsible to anyone other than the Company for providing the protections afforded to clients of Dickson Minto W.S. and is not advising any other person in relation to any transaction contemplated in or by this document.

No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the Placing Programme other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before investing in the Company. Potential investors should also consider the risk factors relating to the Company set out on pages 12 to 20 of this Prospectus.

11 October 2019

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SUMMARY

Section A – Introduction and warnings

Introduction

Alternative Liquidity Fund Limited (the “**Company**”) is a Guernsey incorporated closed-ended investment company. It invests in a diversified portfolio of illiquid interests in funds, funds of funds and other instruments and securities with the objective to generate total returns for investors through the management and realisation of its portfolio. The Company’s LEI is 213800R5CHD76J3LU713, it can be contacted using the website, www.waranacap.com.

The Company currently has a single class of ordinary shares which is listed on the premium segment of the Official List and traded on the Main Market. The ISIN of the Existing Shares is GG00BYRGPD65.

The Company is proposing to issue up to 100 million new Ordinary Shares pursuant to the Placing Programme. The new Ordinary Shares will also be listed on the premium segment of the Official List and traded on the Main Market. The ISIN of the new Ordinary Shares is GG00BDFKR266.

This Prospectus has been approved by the FCA on 11 October 2019. The head office of the FCA is at 12 Endeavour Square, London E20 1JN (Tel: 020 7066 1000).

Warning

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating the Prospectus before the 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 other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

It should be remembered that the price of the Shares, and the income from such Shares (if any), can go down as well as up. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Shares constitutes part of a diversified portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment.

Section B – Key information on the Company

Who is the issuer of the securities?

The Company was incorporated in Guernsey under the Law as a non-cellular company limited by shares on 25 June 2015. Its registration number is 60552.

The Board consists of three independent non-executive directors, Quentin Spicer (the Chairman), Tony Pickford and Richard Berman. The Company’s investment manager is Warana Capital, LLC and its auditor is Grant Thornton Limited (Channel Islands).

The Company is a closed-ended investment company with an indefinite life. The Company’s investment objective is to generate total returns for investors through the management and realisation of its portfolio. Its principal activity is therefore to manage, monitor and realise its investment portfolio which is comprised predominantly of illiquid interests in funds, funds of funds and other instruments and securities. These include hedge funds, structured products and real estate funds, as well as fund of funds interests comprising portfolios of such funds.

As at 9 October 2019 (being the latest practicable date prior to the publication of the Prospectus) the Company is aware of the following persons who are interested in five per cent. or more of the Company's issued share capital.

	<i>Number of Existing Shares</i>	<i>Percentage of issued share capital</i>
JP Morgan Securities Nominees	35,331,365	24.09
LIM Advisers	24,562,215	16.75
The Bank of New York (Nominees) Limited	16,425,189	11.20

The Directors are not aware of any person or persons who could, directly or indirectly, jointly or severally own or exercise control over the Company or any arrangement, the operation of which may result in a change of control of the Company. All Realisation Shareholders will have the same voting rights as the other Realisation Shareholders and all Ordinary Shareholders will have the same voting rights as the other Ordinary Shareholders.

What is the key financial information regarding the issuer?

Selected audited financial information relating to the Company which summarises the financial condition of the Company for the financial years to 30 June 2017 and 30 June 2018 is set out in the following table:

	<i>Period ended 30 June 2017</i>	<i>Year ended 30 June 2018</i>
Net asset value		
Number of shares in issue	146,644,387	146,644,387
Net assets (US\$)	111,068,112	49,223,819
Net asset value per ordinary share ¢	75.74	33.57
Income		
Net losses on financial assets at fair value through profit and loss	(789,174)	(51,481,522)
Other income	—	61,997
Investment income	20,755	—
Net foreign exchange profit/(loss)	(44,511)	4,372
Total net income	<u>(812,930)</u>	<u>(51,415,153)</u>
Expenses		
Investment Manager's fee	909,882	956,241
Other expenses	524,752	674,236
Total operating expenses	<u>1,434,634</u>	<u>1,630,477</u>
Total comprehensive loss for the period/year (US\$)	(2,247,564)	(53,045,630)
Loss per ordinary share ¢	(1.53)	(36.17)
Capital distribution per ordinary share ¢	10.00	6.00
Leverage ratio	N/A	N/A

The selected historical financial information which has been prepared in accordance with IFRS relating to the Company which summarises the Company's financial condition for the six months ended 31 December 2017 and 31 December 2018 is set out in the following table:

	<i>Six months ended 31 December 2017</i>	<i>Six months ended 31 December 2018</i>
Net asset value		
Number of shares in issue	146,644,387	146,644,387
Net assets (US\$)	61,157,177	44,949,391
Net asset value per ordinary share ¢	41.70	30.65
Income		
Net losses on financial assets at fair value through profit and loss	(44,794,809)	(424,323)
Other income	—	—
Investment income	—	—
Net foreign exchange profit/(loss)	22,960	(28,689)
Total net income	<u>(44,771,849)</u>	<u>(453,012)</u>
Expenses		
Investment Manager's fee	476,100	404,300
Other expenses	263,654	484,228
Total operating expenses	<u>739,754</u>	<u>888,528</u>
Total comprehensive loss for the period/year (US\$)	(45,511,603)	(1,341,540)
Loss per ordinary share ¢	(31.04)	(0.91)
Capital distribution per ordinary share ¢	3.00	2.00
Leverage ratio	N/A	N/A

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

- There can be no guarantee that the investment objective of the Company will be achieved or provide the returns sought by Shareholders. The Company's (and the Warana Master Fund's) success will depend on the skill and acumen of Mr Timothy Ivers and his colleagues at Warana Capital. If Mr Ivers should die or otherwise become unable to perform his functions on behalf of the Investment Manager and should his colleagues be unable to take over his role in his absence, the Company's ability to select attractive investments and manage its portfolio's could be severely impaired. The Warana Master Fund would not make any further investments.
- The Investment Manager's assessment of whether an illiquid asset is priced at a discount to its expected recovery value is a highly specialised activity. There may be limited information on the underlying assets, either because the assets are not generally traded, are hard to value or because the manager is not under an obligation to disclose the portfolio. There is therefore no guarantee that the Investment Manager's assessment of whether an asset is priced at a discount to its expected recovery value will be correct.
- The Company's underlying investments are subject to market risk. The Company is therefore at risk that market events may affect performance and in particular may affect the value of the Company's investments which will be valued on a market to market basis.
- The source of the Company's liquidity is a function of the liquidity achieved in respect of the underlying assets within each of the underlying funds. Once received, liquidity proceeds are distributed by the funds, generally by way of partial redemption of the Company's holding in these funds. The fund positions will generally have no defined liquidity and redemption terms and this limits the Company's ability to control the timing and value of the realisation of its investment (and therefore access to liquidity).
- The Company's ability to redeem its shares in the Warana Offshore Fund is limited to circumstances where the Warana Master Fund's investment objectives, programs, strategies,

policies and/or investment restrictions were changed such that the Company was in breach of its investment policy and/or the Listing Rules. There can be no assurance that the liquidity of the underlying investments in the Warana Master Fund will be sufficient to meet a redemption request in cash. It is expected that investments will be illiquid and not generally have redemption rights themselves to facilitate a timely conversion to cash at will.

- The Company has not committed to acquiring any assets and there is no guarantee that there will be a sufficient supply of suitable assets or that the Company will be able to invest in the Warana Master Fund. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's growth.

Section C – Key information on the securities

What are the main features of the securities?

The Company has 146,644,387 Existing Shares with a nominal value of US\$0.01 in issue. The ISIN of the Existing Shares is GG00BYRGPD65.

The Company is proposing to issue up to 100 million Ordinary Shares pursuant to the Placing Programme. The new Ordinary Shares have a nominal value of US\$0.01 and their ISIN is GG00BDFKR266.

Both the Existing Shares and the Ordinary Shares are denominated in US Dollars.

A description of the rights attaching to the new Ordinary Shares is set out below.

Voting rights

At any general meeting of the Company each Realisation Shareholder and each new Ordinary Shareholder will have, on a show of hands, one vote. On a poll, each Realisation Share will carry a number of votes equal to the sum of the value of Realisation Portfolio divided by the number of Realisation Shares in issue on the date of the Initial Admission (rounded to the nearest whole number). This formula is set out in the New Articles. On a poll, each Ordinary Shareholder will have one vote for each Ordinary Share held.

At any class meeting of Realisation Shareholders, each Realisation Shareholder will have, on a show of hands, one vote and, on a poll, one vote for each Realisation Share held and at any class meeting of Ordinary Shareholders, each new Ordinary Shareholder will have, on a show of hands, one vote and, on a poll, one vote for each new Ordinary Share held.

Any material change to the investment policy of the Company will only be made with the prior approval of the Shareholders of the Company. The Realisation Shareholders will not be entitled to vote on any resolution in connection with changes materially affecting the investment policy to the extent that such changes only relate to or only affect the Ordinary Portfolio. Ordinary Shareholders will not be entitled to vote on any resolution in connection with changes materially affecting the investment policy to the extent that such changes only relate to or only affect the Realisation Portfolio.

Dividend and capital distribution rights

Realisation Shareholders and Ordinary Shareholders will be entitled to receive such dividends as the Directors may resolve to pay to them out of the assets attributable to the Realisation Shares and the Ordinary Shares respectively.

Any capital distributions made are expected to be made in the form of redeemable B shares.

Creation of the Portfolios and Return of capital

There is no seniority between the Ordinary Shares and the Realisation Shares. Any increase or diminution in the value of the Company's assets shall be applied to the appropriate Portfolio. The Company is required to allocate every liability to a particular class of Shares. In the event a liability attributable to a Portfolio cannot be met from the assets of that Portfolio, the other Portfolio will be required to meet the liability to the extent of any shortfall. The Realisation Shareholders and the Ordinary Shareholders will be entitled to participate (in accordance with the rights specified in the New Articles) in the assets of the

Company attributable to their Realisation Shares and Ordinary Shares respectively on a winding up of the Company.

Continuation vote

Under the New Articles, a continuation vote will be put to Shareholders at the Company's annual general meeting to be held in 2023 and every second year thereafter.

Variation of rights

The consent of the holders of the relevant Share class will be required for the variation of any rights attached to that class of Shares and certain other matters set out in the New Articles which may impact the value of one class of Shares or result in the winding up of the Company.

Automatic right of conversion

The Realisation Shares will be automatically converted into Ordinary Shares if the assets of the Realisation Portfolio are reduced to a value that is below US\$5 million.

Restrictions on the free transferability of the securities

Subject to the New Articles, a Shareholder may transfer all or any of his Shares in any manner which is permitted by the Companies Law or in any other lawful manner which is from time to time approved by the Board.

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 New 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, 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; and (d) the transfer is in favour of any person, as determined by the Directors, to whom a sale or transfer of Shares, or in relation to whom the sale or transfer of a direct or beneficial holding of Shares, would or might result in: (i) the Company being required to register as an investment company under the Investment Company Act; (ii) benefit plan investors ("Plan Investors") (as defined in section 3(42) of ERISA) acquiring an aggregate interest exceeding 25 per cent. of the value of any equity class in the Company; or (iii) the assets of the Company being deemed to be assets of a Plan Investor.

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 rules 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.

The Company's dividend and capital distribution policy

The Board will consider the appropriateness of paying dividends on the Realisation Shares and the Ordinary Shares from time to time. However, it does not currently intend to pay any dividends to the holders of either the Realisation Shares or the Ordinary Shares.

Since the Company's launch, the Company has made seven capital distributions in respect of the Realisation Shares, in the form of redeemable B shares, to the Realisation Shareholders. The Board expects to continue to make capital distributions in respect of the Realisation Shares.

The Board currently intends, in the absence of unforeseen circumstances, that it will annually distribute at least 30 per cent. of any realised cash receipts received from the investments within the Ordinary Portfolio held for over 12 months including cash receipts from the Warana Master Fund and subsequent segregated portfolios of the Warana SP Master Fund SPC.

Any capital distribution in respect of the Realisation Shares will be made from the net assets attributable to the Realisation Shares. Any capital distribution in respect of the Ordinary Shares will be made from the net assets attributable to the Ordinary Shares.

Where will the securities be traded?

Applications will be made for the Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the Main Market. It is expected that Admission of any Ordinary Shares issued pursuant to the Placing Programme will become effective, and that unconditional dealings in such Ordinary Shares will commence, during the period from 6 November 2019 to 9 October 2020.

What are the key risks that are specific to the securities?

- The market value of, and the income derived from, the Shares can fluctuate. As such, the market value of a Share may vary considerably from its underlying net asset value and investors may not get back the full value of their investment. If there are limited liquidity proceeds distributed to the Company from the funds in which it invests this will affect the ability of the Company to make capital distributions to Shareholders.
- The price of shares in an investment company is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The share price can therefore fluctuate and may represent a discount to the net asset value per Share and Shareholders may be unable to realise their investment through the secondary market at the prevailing net asset value per Share.
- The source of the Company's liquidity is a function of the liquidity achieved in respect of the underlying assets within each of the underlying funds. Once received, liquidity proceeds are distributed by the funds, generally by way of partial redemption of the Company's holding in these funds. The fund positions will generally have no defined liquidity and redemption terms and this limits the Company's ability to control the timing and value of the realisation of its investment (and therefore access to liquidity).

**Section D – Key information on the offer of securities to the public
and/or the admission to trading on a regulated market**

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

Terms and conditions of the Placing Programme

The maximum number of Ordinary Shares which will be issued under the Placing Programme is 100 million.

Each new Ordinary Share will be made available to investors at the Placing Programme Price which will be determined by the Board at the time of each placing under the Placing Programme and will be calculated by applying a premium to the net asset value per new Ordinary Share rounded to two decimal places. The Placing Programme Price will be announced through a Regulatory Information Service on the Business Day prior to the close of the relevant placing under the Placing Programme.

The issue of Ordinary Shares under the Placing Programme will be at the discretion of the Directors. Each allotment and issue of Ordinary Shares pursuant to the Placing Programme will be conditional, *inter alia*, on:

- the Placing Programme Price being determined by the Directors;
- the Admission Condition being satisfied pursuant to such placing under the Placing Programme;
- the necessary authorities being granted to the Company to allow it to disapply the rights of pre-emption attaching to the Ordinary Shares in relation to the Placings; and
- a valid supplementary prospectus being published by the Company if such is required pursuant to the Prospectus Rules.

Expected timetable

The Placing Programme will open on 11 October 2019. It is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over a period of time from 6 November 2019 assuming the Existing Shareholders approve of the resolution being proposed at the EGM to disapply pre-emption attaching to the Ordinary Share to be issued pursuant to the Placing Programme. The Placing Programme will close on 9 October 2020.

Costs of the Placing Programme and dilution

The costs and expenses of the Placing Programme will be borne by the Company in full and attributable to the Ordinary Shares.

For illustrative purposes only, if the maximum number of Ordinary Shares are issued under the Placing Programme in one placing at US\$1.00 per Ordinary Share, US\$100 million would be raised. In these circumstances, the expenses payable by the Company (i.e. the documentation costs in respect of the Circular, the February Circular and this Prospectus) are estimated to be approximately US\$300,000.

Existing Shareholders will not suffer any dilution to the assets that are attributable to them.

Existing Shareholders are not obliged to participate in the Placing Programme. However, those Existing Shareholders who do not participate in the Placing Programme will suffer, at most, a dilution of 68 per cent to the percentage of the issued share capital of the Company that their current holding represents.

Why is this prospectus being produced?

This prospectus has been published in connection with the introduction of the Company's new ordinary share class to the Official List and the Main Market and the Placing Programme under which, subject to the appropriate shareholder authorities being granted at the EGM, the Directors have the ability to issue up to 100 million new Ordinary Shares.

The Directors believe that introducing the new ordinary share class and raising additional capital will have the following benefits.

- Given the Company's current investment portfolio (renamed the Realisation Portfolio) is in its realisation stage, the Proposals will provide Existing Shareholders with a clear realisation strategy and the potential for a longer-term investment horizon due to the rights of automatic conversion that are included in the New Articles.
- The Proposals are expected to provide an attractive overall investment proposition, further diversifying the Company's investment base, including to provide the possible opportunity to offer Shareholders exposure to the Warana Master Fund's (or subsequent segregated portfolios launched in the future under the Warana SP Master Fund SPC) range of assets which aims to provide investors with attractive, risk-adjusted returns over a multi-year period.
- Increasing the Company's issued share capital through the Placing Programme will also result in the fixed costs of the Company being spread over a larger asset base and, as a result, the ongoing charges ratio should be lower.

If the maximum number of Ordinary Shares are issued pursuant under the Placing Programme in one placing at US\$1.00 per Ordinary Share, US\$100 million would be raised and it is expected that the net proceeds would be approximately US\$97.7 million.

It is intended that the net proceeds of the Placing Programme will be invested in accordance with the Company's new investment policy in a diversified portfolio of illiquid investments, funds and funds of funds such as hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, and other alternative investment vehicles sponsored or managed by investment managers across the world.

The Company's investment policy also permits the Company to invest the net proceeds of the Placing Programme principally in a segregated portfolio of the Warana SP Master Fund SPC (herein referred to as the Warana Master Fund) including new segregated portfolios which are launched, in the future, provided that such portfolio has substantially the same investment policy as the Company and the same terms of investment are offered to the Company as those currently contained within the Information and

Subscription Agreement. The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised under the Placing Programme, the timings of the Placings and the size of the commitments received from the Warana Master Fund's other investors on its launch. The Warana Master Fund will be managed by Warana Capital.

No placing under the Placing Programme is or will be underwritten.

Material conflicts of interest

The Investment Manager is involved in other investment activities in, for example, their role as investment manager of the Warana Master Fund which may cause potential conflicts of interest with the Company and its investments. In particular, the Investment Manager has the discretion to determine the quantum of any investment commitment. In the event the Investment Manager determines that the Warana Master Fund should invest more funds into available investments the speed of deployment of the Company's capital may be reduced. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's capital growth and the returns available for investors.

RISK FACTORS

The risk factors referred to below are the risks which are considered by the Company and the Directors to be material as at the date of the Prospectus but are not the only risks relating to the Company or the Shares. Additional risks and uncertainties relating to the Company or the Shares that are not currently known to the Company or the Directors or that the Directors or the Company do not currently consider to be material may also have a material adverse effect on the Company. Potential investors should review this Prospectus carefully and in its entirety and consult with their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before acquiring any Shares.

Prospective investors should note that the risks relating to the Company, its industry and the Shares summarised in the section of the Prospectus headed “Summary” are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of the document headed “Summary” but also, among other things, the risks and uncertainties described below.

Potential investors should carefully consider the following material risk factors in relation to the Company and the Shares.

1. Risks relating to the Company's Shares

Risks relating to the possible fluctuations in the market value and the income derived from the Company's Shares

The market value of the Shares, is affected by the Net Asset Value attributable to them and prospective Net Asset Values, it also takes into account prevailing interest rates. As such, the market value of the Shares may vary considerably from the underlying Net Asset Value attributable to them and investors may not get back the full value of their investment.

Fluctuations could also result from a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation and various other factors and events, including variations in the Company's operating results and/or business developments of the Company and/or its competitors. Stock markets have been experiencing significant price and volume fluctuations that have affected market prices for securities.

The price of a Share may also be affected by speculation in the press or investment community regarding the business or investments of the assets attributable to such shares or factors or events that may directly or indirectly affect their respective investments.

The price of shares in an investment company is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The share price can therefore fluctuate and may represent a discount to the net asset value per share. This discount is itself variable as conditions for supply and demand change. This can mean that the prices of the Company's Shares may go down as well as up and the Share price can fall when the Net Asset Value attributable to such shares rises, or vice versa. There is no guarantee that the market price of the Shares will fully reflect their underlying Net Asset Value attributable to such shares. The price of shares in an investment company may represent a premium to the net asset value per share. Investors purchasing Ordinary Shares at a premium to Net Asset Value per Share may not, in the event of a winding up of the Company, realise the full extent of their purchase price.

Risks relating to the ability of Shareholders to realise their investment due to the lack of liquidity of the Company's Shares

Although the Company's Existing Shares are, and the Ordinary Shares will be, listed on the Official List and traded on the Main Market, it is possible that there may not be a liquid market in the Realisation Shares or the Ordinary Shares and Shareholders may have difficulty in selling them.

The Company's liquidity is a function of the liquidity achieved in respect of the underlying assets within each of the funds in which the Company invests. Once received, liquidity proceeds are distributed by the funds, generally by way of partial redemption of the Company's holding in these funds. The fund positions will generally have no defined liquidity and redemption terms and these limits the Company's ability to control the timing and value of the realisation of its investments (and therefore access to liquidity). While the Investment Manager seeks to forecast liquidity as part of its investment analysis and investment pricing, this analysis is based on a number of assumptions which may prove inaccurate.

If there are limited liquidity proceeds distributed to the Company from the funds in which it invests, this will affect the ability of the Company to make capital distributions to Realisation Shareholders, Ordinary Shareholders or both.

2. Risks relating to the Investment Manager

Risks relating to the Company's reliance on the Investment Manager and other third party service providers

The Company's and the Warana Master Fund's success will depend on the skill and acumen of Mr. Timothy Ivers and his colleagues at Warana Capital. If Mr. Ivers should die or otherwise become unable to perform his functions on behalf of the Investment Manager and should his colleagues be unable to take over his role in his absence, the Company's ability to select attractive investments and manage its portfolio could be severely impaired and the Warana Master Fund would not make any further investments. The Directors may not be able to find a suitable replacement manager with the necessary skills and experience on acceptable terms. In this event, the Directors would formulate and put forward to Shareholders proposals for the future of the Company, which may include a change in its investment policy, its merger with another investment company, reconstruction or winding up.

Risks relating to the Company's and the Investment Manager's reliance on other third party service providers

Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to meet its investment objectives. Similarly, the Investment Manager is reliant on third party service providers and a failure by any of these service providers to fulfil their obligations could materially affect the Investment Manager's ability to meet its obligations to the Company, which would in turn affect the ability of the Company to meet its investment objective and potentially have an adverse impact on the value of the Shares and the Company's Net Asset Value.

In the event that it is necessary for the Company or the Investment Manager to replace any third-party service provider it may be that the transition process takes time, increases costs and adversely impacts the Investment Manager's operations and/or the Company's investments and performance.

Risks relating to conflicts of interest

The Investment Manager, the Administrator, the Registrar, any of their members, directors, officers, employees, agents and connected persons and the Directors and any person or company with whom they are affiliated or by whom they are employed may be involved in other financial, investment or other professional activities which may cause potential conflicts of interest with the Company and its investments and which may affect the amount of time allocated by such persons to the Company's business. These parties, especially the Investment Manager may, without limitation: provide services similar to those provided to the Company to other entities; buy, sell or deal with assets on its own account (including dealings with the Company); and/or take on engagements for profit to provide services including but not limited to origination, development, financial advice, transaction execution, asset and special purpose vehicle management with respect to assets that are or may be owned directly or indirectly by the Company. In particular, the Investment Manager has discretion to determine how much of an investment commitment is made by the Warana Master Fund and the Company into any funds of funds etc. that are in accordance with their investment policies. In the event the Investment Manager determines that the Warana Master Fund should invest more funds into suitable available investments, the speed of deployment of the Company's capital will be reduced. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's capital growth and the returns available for investors.

3. Risks relating to the Company's investments

Risks relating to market events

The underlying investments comprised in the Company's portfolios are subject to market risk. The Company is therefore at risk that market events may affect performance and in particular may affect the value of the Company's investments which will be valued on a market to market basis. Market risk is risk associated with changes in market prices or rates, including interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances. While the Company, through its investments in illiquid funds, intends to hold a diversified portfolio of assets, any of these factors including specific market events, such as the global financial crisis, may be materially detrimental to the performance of the Company's investments.

The performance of the Company's investment strategy depends to a great extent on correct assessments of the future course of investments by managers of underlying funds recommended by the Investment Manager. There can be no assurance that the underlying managers will be able to predict accurately these price movements. With respect to the investment strategies utilised by funds into which the Company will invest, there is always some, and occasionally a significant, degree of market risk and if the Investment Manager doesn't accurately predict these price movements, this may have a material, detrimental effect on the performance of the Company's Investments.

Risks relating to the Investment Manager's due diligence process

The due diligence process that the Investment Manager undertakes in connection with its investments may not reveal all facts that may be relevant in connection with an investment.

When conducting due diligence and making an assessment regarding an investment, the Investment Manager will be required to rely on resources available to it. The due diligence process may at times rely on limited or incomplete information. Accordingly, the Investment Manager cannot guarantee that the due diligence investigation it carries out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity.

Any failure by the Investment Manager to identify relevant facts through the due diligence process may cause it to make inappropriate investment decisions, which could have a material adverse effect on the Company's profitability, Net Asset Value and price per share.

Risks relating to the valuations of the Company's underlying investments

The interests in the underlying funds that the Company invests in may have reported valuations that differ from their true and actual realisable value. Valuations can be subject to significant fluctuations from month to month. Some assets may not have ongoing valuations provided by third parties. The Investment Manager's investment recommendations are based on analysis and valuations which may be materially inaccurate. In addition, the Investment Manager may have to rely on old valuations in its due diligence process.

The determination of net profit and net loss for any accounting period includes unrealised gains and losses. As a result of subsequent market movements, actual gains and losses may differ materially from the unrealised gains and losses reflected in the Company's financial statements at the end of any accounting period.

If values realised for underlying investments are materially different from those values contained in reported valuations, there is a risk that Shareholders may be carrying their investment in their books at an incorrect value and the price at which they buy and sell Shares in the secondary market may not reflect the true value of such Shares.

Risks relating to the portfolio managers of the Company's underlying investment funds

The Investment Manager will have no control over the day-to-day operations of any of the underlying portfolio managers. The portfolio managers have exclusive responsibility for making trading decisions regarding the underlying funds. Additionally, the portfolio managers may also manage other accounts (including other funds and accounts in which the portfolio managers may have an interest) which may employ different or similar trading strategies, and which together with accounts already being managed could increase the level of competition for the same trades that the underlying fund in which the Company invests might otherwise make, including the priorities of order entry. This could make it difficult or

impossible to take or liquidate a position in a particular security or futures contract at a price indicated by a portfolio manager's strategy which may, in turn, have a material adverse impact of the Company's return profile and net asset value.

Underlying portfolio managers may have significant discretion as to investments made by the underlying funds. Where such investments are in new strategies or involve the use of unfamiliar instruments those managers may not have the technical skills to support such strategies or instruments. Managers may have a vested interest in not returning capital in a timely fashion, and holding investments at unrealistically high valuations to enhance management fees which may, in turn, have a material adverse impact of the Company's return profile and net asset value.

Risks relating to the illiquid nature of the Company's underlying investments

Investments made by the Company will be relatively illiquid and this will limit the ability of the Company to realise its investments. Some of the investments made by the Company may not be readily realisable and their marketability may be restricted, in particular because markets in those investments may be made only by the relevant portfolio manager, who may allow redemptions only at specific times and dates, and it may be difficult for the Company to sell or realise its investments in whole or in part. In addition, liquidity may be subject to commitments made by the Investment Manager as to the frequency of redemptions and/or length of lock-up periods to secure capacity with relevant portfolio managers. Moreover, commitments made or to be made by relevant portfolio managers with other investors in those funds, for example, granting those investors enhanced liquidity, may adversely affect the Company's investment in the funds. Withdrawals or redemptions by other investors in the same underlying fund may also impact negatively the value of the Company's investment in that fund. It is also possible that an exchange or governmental authority may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange.

Furthermore, investments held by underlying funds may themselves be illiquid, which in turn may impair the returns made by those funds, which illiquidity may affect certain strategies more than others. Such illiquidity may result from the factors referred to above or from others, such as the nature of the instrument being traded or the nature and/or maturity of the market in which it is being traded, or because there is no established market for the relevant securities. Even where there is an established market the price and/or liquidity of instruments in that market may be materially affected by certain factors, some or all of which may be strategy specific.

Securities exchanges typically have the right to suspend or limit trading in any instrument traded on that exchange. A suspension could render it difficult for the Company and/or the underlying funds to liquidate positions and thereby might expose the Company to losses.

Risks relating to delays in acquiring suitable investments

The Company has not committed to acquiring any assets and there is no guarantee that there will be a sufficient supply of suitable assets. The Company may also be faced with increased competition in securing suitable assets. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's capital growth. Furthermore, the Company will disclose the vast majority of its investment portfolios. Such disclosure, whilst providing transparency, could be disadvantageous to the Company and its Shareholders, for instance by increasing competition for the limited investment capacity in underlying funds and fund strategies or by reducing the underlying fund managers' willingness to accept new investment from the Company which in turn could lead to delays in the deployment of the Company's capital which would have an adverse impact on the Company's growth and the returns available to investors.

Risks relating to securities in emerging markets

Some of the Company's assets may be allocated to strategies related to, or be invested in funds investing in, emerging markets. Liquidity and settlement risks may be greater in emerging markets and accounting standards may not provide the same degree of shareholder protection as would generally apply internationally. In addition, assets located in offshore jurisdictions may be subject to increased political and/or regulatory risk. As a result there may be risks that settlement may be delayed and that cash or securities could be disadvantaged which could have a material detrimental effect on the Company's financial performance and the return per Share.

Risks relating to events to which the Company's investment funds may be subject

Several of the underlying funds which may be selected by the Investment Manager may invest in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganisations, bankruptcies and similar transactions. There exists the risk that the transaction in which such business enterprise is involved either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated event does not occur, the underlying manager may be required to sell its investment at a loss. Because there may be uncertainty concerning the outcome of transactions involving financially troubled companies in which the underlying portfolio managers may invest, there is a potential risk of loss by such underlying funds of their entire investment in such companies. Any such losses would, in turn, have a material adverse effect on the net asset of the Company's Shares and the returns per Share.

Risks relating to movements in foreign exchange rates and currency fluctuations

If an investor's currency of reference is not US Dollars, currency fluctuations between the investor's currency of reference and US Dollars may adversely affect the value of an investment in the Company. A proportion of the Company's investments may be denominated in currencies other than US Dollars. The Company intends to present its results and pay distributions in US Dollars. Accordingly, fluctuations in exchange rates between US Dollars and the relevant local currencies and the costs of conversion and exchange control regulations will directly affect the value of the Company's investments and the ultimate rate of return realised by investors.

Risks relating to prime brokerage

The underlying funds in which the Company invests are subject to the risk of the inability of the prime broker to perform their services with respect to transactions, whether due to insolvency, bankruptcy or other causes. To the extent that underlying funds in which the Company invests transfer their investments to a prime broker as collateral or margin, that underlying fund will rank as one of the prime broker's unsecured creditors and in the event of the insolvency of the prime broker, the investee fund may not be able to recover such assets which could result in material losses being incurred by the Company which could have a material adverse impact on its net asset value.

Risk relating to the counterparties with whom the Company transacts

Investments made by the Company and the funds in which it invests may not be regulated by the rules of any stock exchange or investment exchange or other regulatory body or authority. The counterparties to such investments may have no obligation to make markets in such investments and may have the ability to apply essentially discretionary margin and credit requirements. Furthermore, the Company and such funds will be subject to the risk of bankruptcy of, or the inability or refusal to perform with respect to such investments by, the counterparties with which the Company or such funds deal. These aforementioned events could have a material adverse effect on the Company's profitability, net asset value and price per Share.

Risks relating to fluctuations in interest rates

The prices of certain securities tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs to the underlying funds of borrowed securities and leveraged investments.

To the extent that interest rate assumptions underlie the hedging of a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose the underlying funds and consequently the Company to losses. These fluctuations could therefore have a detrimental impact on the performance of the Company and the net asset value per share maybe materially adversely affected.

Risks relating to litigation and legal processes to which the Company's investment funds may be subject

Some of the underlying funds may be involved in legal processes which could have a negative impact on the Company's returns. There is often some level of uncertainty inherent due to legal actions and in

the application of contracts, laws and regulations. For example, returns could be reduced due to unfavourable legal outcomes or ongoing legal costs. Changes in laws or regulations, or the interpretation of such, may have legal, tax or accounting consequences that are adverse to the Company and/or any of the funds in which it has invested.

Risks relating to gearing

The Company does not currently intend to use leverage for investment purposes, however the Company does have the ability to borrow up to 25 per cent. of its net assets. The underlying portfolio managers of the funds held within the Company's portfolio may use significant gearing in a variety of ways including using derivatives. This exposes investors to increased risk as gearing can increase the portfolio's market exposure and volatility. Whilst it should enhance the net asset value of the Shares where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling.

Risks relating to the potential lack of regulatory supervision in relation to the Company's underlying investment funds

The underlying funds and other investment vehicles in which the Company may invest may not be subject to any form of regulatory authorisation or regulatory supervision. They may not be required to have an independent custodian or any custodian at all. Therefore, investment in such vehicles carries a higher potential risk. Conversely, where underlying funds or their portfolio managers become subject to regulatory authorisation or supervision, or increased authorisation or supervision, this may adversely impact the existing manner in which they conduct their business. This may have a detrimental effect on the value of the underlying fund and, as a consequence, may materially adversely effect the net asset value of the Company and its financial condition.

4. Risks relating to the Warana Master Fund

There is no guarantee the Company will be able to invest in the Warana Master Fund or other suitable illiquid funds, funds of funds and alternative vehicles will be available. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's capital growth.

Risks relating to the lack of the Company's investment discretion in respect of its investment in the Warana Master Fund

The Company's investment policy allows the Company to act as a feeder fund and it may principally invest in the Warana Master Fund through the Warana Offshore Fund (or any subsequent portfolios of the Warana SP Master Fund SPC). The Company would not have investment discretion with respect to the Company's investment in the Warana Master Fund. Instead, the Company relies on the skills and capabilities of the Investment Manager (as investment manager of the Warana Master Fund) in selecting, evaluating, structuring, negotiating, executing, monitoring and exiting trading positions and investments and in managing any un-invested capital of the Warana Master Fund in accordance with applicable investment policies.

As a result, the Company's ability to grow its Net Asset Value and any returns which its investment in the Warana Offshore Fund may generate depends on the ability of the Investment Manager to identify suitable trading and investment opportunities and to implement effectively the investment objective of the Warana Offshore Fund. The Investment Manager has broad discretion when making investment-related decisions for the Warana Offshore Fund and only in limited circumstances will the investment decisions be subject to the prior approval of the Directors of the Company.

Accordingly, the failure of the Warana Master Fund to achieve its investment objective or to otherwise produce adequate returns will have a material adverse effect on the Company's performance and returns to Shareholders and there can be no assurance that the Company will be able to develop or execute an alternative investment strategy.

Risks relating to the Company's limited redemption rights

The Company's ability to redeem its shares in the Warana Offshore Fund is limited to circumstances where the Warana Master Fund's investment objectives, programs, strategies, policies and/or investment restrictions were changed such that the Company was in breach of its investment policy and/or the Listing

Rules. There can be no assurance that the liquidity of the underlying investments in the Warana Master Fund will be sufficient to meet a redemption request in cash. It is expected that the investments will be illiquid and not generally have redemption rights themselves to facilitate a timely conversion to cash at will.

It may also be challenging to receive all the approvals necessary from the underlying investments that would be required to facilitate an in-specie distribution. For such reasons the payment of redemption proceeds (either in cash or *in specie*) may be deferred by Warana Capital and the directors of the Warana Offshore Fund including if it would be unduly burdensome, there is a lack of liquidity in the underlying investments and/or the Warana Master Fund may already have entered into its realisation period.

If a material adverse event occurs in relation to the Warana Master Fund the ability of the Company to avoid or mitigate further adverse exposure is limited as the Company would be, in such circumstances unable to redeem its shares in the Warana Offshore Fund. Should the Company wish to exit, it may be able to sell the shares it holds in the Warana Offshore Fund in the secondary market but there is no guarantee there will be a market for such shares or that the Company will be able to sell them at a satisfactory price. This could have a materially adverse effect on the value of Ordinary Shares and the ability of investors to dispose of their Ordinary Shares at a satisfactory price or at all.

Risks relating to leverage

The Warana Master Fund is able to use leverage under certain circumstances. During its investment phase and call period, Warana Capital as the investment manager has the right to borrow up to 25 per cent. of the total capital commitments of the Warana Master Fund for the purposes of managing timing of capital calls and for efficient portfolio management purposes.

After the investment phase and call period, Warana Capital is able to engage in a variety of borrowing activities in order to effectuate dividend recapitalisation transactions in order to expedite the return of the Warana Master Fund's investment proceeds.

The use of borrowings or gearing increases the Warana Master Fund's exposure to capital risk, credit risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings or gearing that are in excess of the interest costs associated therewith may cause the NAV of the Warana Master Fund to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Warana Master Fund's NAV may decrease more rapidly than would otherwise be the case which in turn could have a material adverse effect on the net asset value of the Ordinary Shares.

Risks relating to reliance on third party service providers

Like the Company, the Warana Master Fund has no employees and is therefore reliant upon the performance of third-party service providers for its executive functions. The Investment Manager and the administrator of the Warana Master Fund and their respective delegates, if any, perform services that are integral to the operation of the Warana Master Fund. Failure by any service provider to carry out its obligations to the Warana Master Fund in accordance with the terms of its appointment or without exercising due care and skill could have a materially detrimental impact on the operation of the Warana Master Fund. The termination of the Warana Master Fund's relationship with any third-party service provider, and any delay in appointing a replacement for such service provider, may have a material adverse effect on the performance of the Warana Master Fund, which could have a material adverse effect on the performance of the Company and returns to Ordinary Shareholders.

Risks relating to the potential termination of contractual arrangements

The Warana Master Fund's contractual arrangements with its trading counterparties typically contain termination provisions. Termination of any such contractual arrangements and/or the requirement to provide additional collateral could seriously impair the ability of the Warana Master Fund to carry on its business, which would have a material adverse effect on the performance of the Company and returns to Ordinary Shareholders.

Risks relating to the use of derivative instruments

The Warana Master Fund may invest in derivative instruments that are not traded on organised exchanges and, as such, are not standardised. These transactions are known as over-the-counter

("OTC") transactions. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organised exchange. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Warana Master Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. In addition, the Warana Master Fund will be subject to the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy, governmental prohibition or other causes, which could subject the Warana Master Fund to losses. This in turn would have a material adverse effect on the performance of the Company, the net asset value of the Ordinary Shares and the returns that would be available for Ordinary Shareholders.

Risks relating to the Warana Master Fund not having a Custodian

The Warana Master Fund does not expect to engage any independent third party custodian to hold the assets of any of its segregated portfolios. An independent custodian will not therefore be appointed to carry out verification of the portfolio's account data and reliance will be placed on the Investment Manager, and, to an extent, the Warana Master Fund's administrator to ensure the internal records are accurate. Any failure of the Investment Manager or the administrator to identify or resolve any issues may have an adverse impact on the financial performance of the Warana Master Fund and, as a result, the Ordinary Shares.

5. Risks relating to taxation and regulation

Risks relating to taxation

Any change in the Company's tax status (particularly its non-UK tax residence status), including being treated as tax resident in a jurisdiction other than Guernsey, or any change in taxation legislation could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders. In particular should the Shares of the Company be regarded as being subject to the offshore fund rules contained in Part 8 of the Taxation (International and Other Provisions) Act 2010, this may have adverse tax consequences for certain UK resident Shareholders.

The amount of distributions and future distribution growth will depend on the Company's underlying investments. Any change or incorrect assumption in the tax treatment of dividends or interest or other receipts received by the Company (including as a result of withholding taxes or exchange controls imposed by jurisdictions in which the Company invests) may reduce the level of distributions received by Shareholders. In addition any change in the accounting policies, practices or guidelines relevant to the Company and its investments may reduce or delay the distributions received by investors.

Risks relating to FATCA and other automatic exchange of information regimes

US source and other related payments to the Company may be subject to withholding as a result of the FATCA provisions of the US Hiring Incentives to Restore Employment Act.

The Company is subject to the application of FATCA. FATCA generally imposes a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments of US source income (including dividends and interest) and (from 1 January 2019) gross proceeds from the sale or other disposal of property that can produce US source interest or dividends, and (from the later of 1 January 2019 or the date of publication of certain final regulations) a portion of non-US source payments from certain non-US financial institutions to the extent attributable to US source payments ("Withholdable Payments"), if the Company does not comply with certain registration and due diligence obligations under FATCA.

Generally, FATCA will subject all Withholdable Payments received by the Company to a 30 per cent. withholding tax (including the share that is allocable to non-US persons) unless the Company complies with Guernsey legislation implementing FATCA pursuant to an intergovernmental agreement between Guernsey and the US or (as the case may be) unless the Company enters into an agreement (an "FFI Agreement") with the IRS to provide information, representations and waivers of non-US law as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders.

The Company intends to comply with its obligations relating to FATCA and reserves the right to request from any Shareholder or potential Shareholder such information as it deems necessary to comply with FATCA, any FFI Agreement from time to time in force, and measures similar to FATCA such as the CRS or any obligation arising under the implementation of any applicable intergovernmental agreement, including the US-Guernsey IGA. **If a Shareholder fails to provide the Company with information that is required by it to allow it to comply with any of the above reporting requirements, or any similar requirements, adverse consequences may apply.**

FATCA AND MEASURES EQUIVALENT TO FATCA ARE PARTICULARLY COMPLEX. EACH POTENTIAL SHAREHOLDER SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND MEASURES EQUIVALENT TO FATCA AND HOW THIS LEGISLATION MIGHT AFFECT EACH POTENTIAL SHAREHOLDER IN ITS PARTICULAR CIRCUMSTANCE.

Risks relating to regulation

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect the Company's business, investments and performance. The Company is subject to laws and regulations enacted by national and local government. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended collective investment companies which are domiciled in Guernsey. These include compliance with any decision of the GFSC. In addition, the Company is subject to and will be required to comply with certain regulatory requirements, which are applicable to closed-ended investment companies (including continuing obligations) whose shares are listed on the premium segment of the Official List. The Investment Manager is authorised and regulated by the SEC. Any change in the laws and regulations affecting the Company or the Investment Manager, may have an adverse effect on the ability of the Company to carry on its business and pursue its investment policy. Any such changes may also adversely affect the value of the underlying assets. In such event, the investment returns of the Company may be materially adversely affected.

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 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 and the Investment Manager to carry on their respective businesses which in turn could have a material adverse effect on the Company's performance and returns to Shareholders.

IMPORTANT INFORMATION

The Prospectus should be read in its entirety. Shareholders should rely only on the information contained in the Prospectus. No person has been authorised to give any information or make any representations other than as contained in the Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Investment Manager, the Administrator or the Sponsor or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery of the Prospectus nor any subscription made under the Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of the Prospectus or that the information contained herein is correct as at any time subsequent to its date.

Shareholders must not treat the contents of the document or any subsequent communications from the Company, the Investment Manager, the Administrator or the Sponsor or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Apart from the liabilities and responsibilities (if any) which may be imposed on the Sponsor by FSMA or the regulatory regime established thereunder, the Sponsor does not make any representations, express or implied, or accept any responsibility whatsoever for the contents of the Prospectus nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, Admission or the Issues. The Sponsor (and its affiliates) accordingly disclaims all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it might otherwise have in respect of the Prospectus or any such statement.

If you are in doubt about the contents of the Prospectus you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.

Data Protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("personal data") will be held and processed by the Company (and any third party in Guernsey or the United Kingdom to whom it may delegate certain administrative functions in relation to the Company), the Administrator and/or the Registrar in compliance with the relevant data protection legislation and regulatory requirements of Guernsey and/or the United Kingdom. Each Shareholder acknowledges and consents that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company), the Administrator and/or the Registrar for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- contacting the prospective investor with information about other products and services provided by the Investment Manager, or its affiliates, which may be of interest to the prospective investor;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in Guernsey, the UK or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each prospective investor acknowledges and consents that where appropriate it may be necessary for the Company (or any third party, functionary, or agent appointed by the Company), the Administrator and/or the Registrar to:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and

- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as Guernsey and/or the United Kingdom (as applicable).

If the Company (or any third party, affiliate functionary or agent appointed by the Company), the Administrator and/or the Registrar discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, affiliate agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

Prospective investors are responsible for informing any third-party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

The EU's General Data Protection Regulation ("GDPR") enhances existing data subject rights of EU citizens and increases obligations on data controllers, including certain data controllers outside of the EU. For non-EU members, changes to local legislation still may be required in order to ensure that any adequacy ruling under existing EU data protection law is maintained.

For more information, please see the Company's privacy policy which is available at www.waranacap.com.

Regulatory information

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

Taxation information

The tax legislation of the Shareholder's Member State and the Company's country of incorporation (Guernsey) may have an impact on the income received from the Shares. The information in Part 7 of this Prospectus is intended to be a general summary of certain tax consequences that may arise in relation to the Company and its Shareholders. It is not a comprehensive summary of all technical aspects of the taxation of the Company and Shareholders and is not intended to constitute legal or tax advice to investors. The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

If you are in any doubt about your tax position you should consult your independent professional adviser.

Investment considerations

The contents of the Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory or investment decisions or any other matter. Shareholders must inform themselves as to:

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

Shareholders must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's investment objectives will be achieved. It should be remembered that the price of the Shares, and the income from such Shares (if any), can go down as well as up.

The Prospectus should be read in its entirety before making any investment in the Ordinary Shares. All Ordinary Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the

provisions of the Memorandum and the New Articles which investors should review. A summary of the New Articles is contained in paragraph 5 of Part 8 of the Prospectus under the section headed “Summary of the New Articles”. In accordance with the PRIIPs Regulation the Investment Manager has prepared a key information document (“KID”) which is available on the Company’s website at www.waranacap.com. The content of the KID 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 should be read in conjunction with other material produced by the Company including the annual report, the monthly factsheets and the Prospectus, all of which are available on the Company’s website.

Forward-looking statements

The Prospectus contains forward-looking statements, including, without limitation, statements containing the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risk, uncertainties and other factors, which may cause the actual results of operations, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, Shareholders are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of the Prospectus. The Company undertakes no obligation to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. However information in this document will be updated as required by the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulations as appropriate. Nothing in this section seeks to limit or qualify, in any way, the working capital statement in paragraph 7 of Part 6 of this Prospectus.

Unless otherwise stated, statements made in the Prospectus are based on the law and practice currently in force in England and Wales or Guernsey (as appropriate) and are subject to changes therein.

Definitions

A glossary of certain words and expressions and a list of defined terms used in the Prospectus is set out at the end of the Prospectus.

The Company currently has a single class of ordinary shares in issue. At the February EGM, Existing Shareholders approved their redesignation in order that, going forward, they will be called Realisation Shares. For the purposes of this Prospectus and ease of interpretation, the existing ordinary shares are referred to as Existing Shares and the Realisation Shares. The Company is intending to issue, pursuant to the Placing Programme, another class of shares, which going forward, will be known as the Ordinary Shares. For the purposes of the Prospectus, the proposed new Ordinary Shares are referred to as the “Ordinary Shares”.

The portfolio of assets attributable to the Existing Shares/Realisation Shares is referred to in the Prospectus as the “Realisation Portfolio”.

The portfolio of assets that will be attributable to the Ordinary Shares is referred to in the Prospectus as the “Ordinary Portfolio”.

The Warana SP Master Fund SPC is a segregated portfolio company which was incorporated under the laws of the Cayman Islands on 27 June 2016. It already currently has three segregated portfolios, the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio. The 2017 Segregated Portfolio is now fully invested and has entered its realisation stage. It is no longer open for investment. The 2018 Segregated Portfolio is in its investment period. It is no longer open for investment. The 2019 Segregated Portfolio was launched in September 2019 and raised approximately US\$77.5 million. It is no longer open for investment.

None of the 2017 Segregated Portfolio, the 2018 Segregated Portfolio nor the 2019 Segregated Portfolio are separate legal entities and the Warana Master Fund will not be either. Despite references to the Warana Master Fund carrying out certain activities and entering into certain transactions, the Warana SP Master Fund SPC will be the legal entity doing so for the account of the Warana Master Fund. References in this Prospectus to the Warana Master Fund taking any action should be construed accordingly.

The Warana SP Offshore Fund SPC is a segregated portfolio company which was incorporated under the laws of the Cayman Islands on 17 November 2016.

The Warana Offshore Fund will not be a separate legal entity. Despite references to the Warana Offshore Fund carrying out certain activities and entering into certain transactions, the Warana SP Offshore Fund SPC is the legal entity doing so for the account of the Warana Offshore Fund. References in this Prospectus to the Warana Offshore Fund taking any action should be construed accordingly.

Investors in the Warana Offshore Fund will have no interest in any other feeder funds investing into the Warana Master Fund, or any of the assets of the foregoing.

Notice to prospective investors in Guernsey

The Ordinary Shares are only being promoted in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law 1987 (as amended) or (ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law 1987 (as amended), the Insurance Business (Guernsey) Law 2002, the Banking Supervision (Bailiwick of Guernsey) Law 1994 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law 2000. Promotion is not being made in any other way.

Performance data

Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Investment Manager, which market conditions may be different in many respects from those that prevail at present or in the future, including (without limitation) with the result that the performance of portfolios originated now may be significantly different from those originated in the past.

No representation is being made by the inclusion of the investment examples and strategies presented herein that the Company will achieve performance similar to the investment examples and strategies herein or avoid loss. There can be no assurance that the investment examples and strategies described herein will meet their objectives generally, or avoid losses. Past performance is no guarantee of future results. An investment in the Company involves a significant degree of risk.

Overseas investors

If you receive a copy of the Prospectus in any territory other than the United Kingdom, you may not treat it as constituting an invitation or offer to you. It is your responsibility, if you are outside the United Kingdom, to satisfy yourself that you have fully observed the laws of any relevant territory or jurisdiction in connection with your receipt of Ordinary Shares, 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.

Without limiting the above, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within the United States, Canada, Australia, Japan, the Republic of South Africa or any other Restricted Jurisdiction or to any US Person except in reliance on, or in a transaction not subject to, the registration requirements under the US Securities Act or other relevant legislation.

Third party information

Where information in the Prospectus has been sourced from a third party, the Company confirms that such information has been accurately reproduced and the source identified and, so far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Documents incorporated by reference

The published annual reports and audited financial statements of the Group for the financial years ended 30 June 2017 and 30 June 2018 and the unaudited half yearly reports for the six months ended 31 December 2017 and 31 December 2018 on the pages specified in the table below are incorporated by reference into the Prospectus. The non-incorporated parts of these reports and financial statements are either not relevant to investors or covered elsewhere in the Prospectus.

<i>Nature of information</i>	<i>Annual report and audited financial statements for the period ended 30 June 2017 Page No.</i>	<i>Annual report and audited financial statements for the year ended 30 June 2018 Page No.</i>	<i>Half yearly report for six months ended 31 December 2017 Page No.</i>	<i>Half yearly report for six months ended 31 December 2018 Page No.</i>
Highlights	1	1	1	1
Chairman's Statement	3	3	2-3	2-3
Investment Manager's Report	4-5	4-5	4-6	4-5
Directors' Report	8-11	8-11	—	—
Statement of Comprehensive Income	28	27	10	9
Statement of Financial Position	29	28	11	10
Statement of Changes in Equity	30	29	12	11
Statement of Cash Flows	31	30	13	12
Independent Auditor's report	21-27	21-26	—	—
Notes to the financial statements	32-54	31-52	14-26	13-25
Schedule of Investments	55-58	53-55	27-29	26-28

The documents incorporated by reference can be obtained from the Company's website www.waranacap.com, and as set out in paragraph 1 of Part 6 of the Prospectus.

No incorporation of website

The content of the Company's webpage on the Investment Manager's website at www.waranacap.com does not form part of this Prospectus.

Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus published by the Company prior to Admission alone and should consult their professional advisers prior to making an application to subscribe for any Ordinary Shares under the Placing Programme.

EXPECTED TIMETABLE

2019

Placing Programme

Placing Programme opens	11 October 2019
EGM	10.00 a.m. 5 November 2019
Admission and dealings in Ordinary Shares commence	6 November 2019 to 9 October 2020
Publication of Placing Programme Price in respect of each Placing	the Business Day prior to the close of the relevant Placing under the Placing Programme
Crediting of CREST accounts in respect of Ordinary Shares	8.00 a.m. or as soon as practicable thereafter on each day Ordinary Shares are issued
Share certificates in respect of Ordinary Shares dispatched (if applicable)	Approximately one week following the issue of any Ordinary Shares
Placing Programme closes	9 October 2020

Notes:

- (i) Each of the times and dates in the above timetable is subject to change and may, with the consent of the Sponsor and the Investment Manager, be extended or brought forward without further notice. The Company will notify investors of any such changes to these dates by making an announcement via a Regulatory Information Service.
- (ii) All references to time in the Prospectus are to London time.
- (iii) Ordinary Shares will be issued pursuant to the Placing Programme only at such times (if any) as the Directors believe it is advantageous to the Company to do so. Ordinary Shares will be issued pursuant to the Placing Programme only during the period commencing at 8.00 a.m. on 6 November 2019 and ending at 5.00 p.m. on 9 October 2020.

ISSUE STATISTICS

Existing Shares (redesignated as “Realisation Shares”)

Number of Realisation Shares in issue 146,644,387

Placing Programme

Maximum number of Ordinary Shares that may be issued under the Placing Programme up to 100 million Ordinary Shares

Placing Programme Price per new Ordinary Share expected to be US\$1.00 in respect of the first Placing and not less than the latest published NAV per Ordinary Share at the time of the relevant future Placing plus a premium to at least cover the expenses of such Placing as determined by the Board at the time of each Placing under the Placing Programme

DEALING CODES

The Existing Shares (redesignated the “Realisation Shares”)

ISIN GG00BYRGP65

SEDOL BYRGP66

Ticker* ALF

LEI 213800R5CHD76J3LU713

The Ordinary Shares

ISIN GG00BDFKR266

SEDOL BDFKR26

Ticker ALFO

LEI 213800R5CHD76J3LU713

* If the Proposals become effective the ticker for the Realisation Shares will be ALFR.

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors and Registered Office	Quentin Spicer (<i>Chairman</i>) Dr Richard Berman Anthony Pickford all non-executive and of Sarnia House Le Truchot St Peter Port Guernsey GY1 1GR
Company Secretary and Designated Administrator	Praxis Fund Services Limited Sarnia House Le Truchot St Peter Port Guernsey GY1 1GR
Investment Manager	Warana Capital, LLC Level 3 154 Grand Street New York NY USA 10013
UK Legal Adviser and Sponsor	Dickson Minto W.S. Broadgate Tower 20 Primrose Street London EC2A 2EW
Guernsey Legal Adviser	Carey Olsen P.O. Box 98 Carey House Le Banques St Peter Port Guernsey GY1 4BZ
Custodian and Principal Bankers	Citibank, N.A. (London Branch) Canada Square London E14 5LB
Registrar	Link Market Services (Guernsey) Limited Crevelt House Bulwer Avenue Guernsey GY2 4LH
Receiving Agent	Link Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

Auditors

Grant Thornton Limited (Channel Islands)
P.O. Box 313
Lefebvre House
Lefebvre Street
St Peter Port
Guernsey GY1 3TF

Reporting Accountants

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

PART 1

THE COMPANY

Introduction

Alternative Liquidity Fund Limited is a Guernsey incorporated closed-ended investment company with an indefinite life. It was launched in September 2015 and invests in a diversified portfolio of illiquid interests in funds and other instruments and securities with the objective to manage, monitor and realise these investments over time.

The Company currently has a single class of ordinary shares in issue, which is listed on the premium segment of the Official List and traded on the Main Market. On its launch the Company acquired an initial portfolio of assets for an aggregate consideration of US\$144 million from Signet Multi-Manager SPC Inc ("SMMI"). Since then the Company has also acquired a portfolio of assets from each of Trusthouse Holding NV, The Green Fund and a liquidator of a small hedge fund portfolio in Luxembourg. The Company has made seven capital distributions in respect of its Existing Shares in the form of redeemable B shares totalling US\$0.20 per Existing Share and the Investment Manager is continually monitoring and liaising with the underlying managers in relation to the appropriate liquidation of their positions.

The Company's Existing Portfolio contains 28 different fund investments and one direct investment which are managed by 23 different investment managers and has a net asset value of US\$41.7 million. This includes its investment of approximately US\$1.3 million in the 2018 Segregated Portfolio which is the segregated portfolio company of the Warana SP Master Fund SPC that was launched in March 2018.

Background

The Board, together with the Company's investment manager Warana Capital, LLC, have been exploring various growth strategies and the scope for the Company to offer new share classes for illiquid assets and portfolios. The Company published a circular on 6 February 2019 (the February Circular) in relation to its proposals to introduce a new class of ordinary shares (herein referred to as the "Ordinary Shares"), with a new investment policy. The February Circular also convened the February EGM as these proposals were subject to the approval of the Existing Shareholders.

At the February EGM, the Existing Shareholders approved, *inter alia*, the following:

- the Company's new investment policy which allows the Company to create new share classes for separate investment portfolios and to act as a feeder fund and invest the assets of any of its portfolios either directly or indirectly into master funds (including the Warana Master Fund);
- the New Articles which allows the Company to re-designate the name of the existing ordinary shares to Realisation Shares and to provide for the rights of the new class of Ordinary Shares as well as the Realisation Shares;
- the possible participations of Sunrise Partners through JP Morgan Securities as its nominee and LIM Advisers, both substantial Shareholders in the Company, in the Placing Programme; and
- the entering into of the Supplemental Agreement to the Investment Management Agreement, which introduces the new management fee that will be payable to the Investment Manager in relation to the Ordinary Portfolio and extends the initial management term providing that either party may give to the other not less than 12 months' notice to terminate provided that such notice will only be able to be given after the conclusion of the Company's annual general meeting in 2023.

The Company has published another circular dated 11 October 2019 and it is convening the EGM to seek Shareholder approval to allot up to 100 million Ordinary Shares on a non pre-emptive basis pursuant to the Placing Programme. The EGM has been convened for 10.00 a.m. on 5 November 2019.

The share classes

Following the February EGM, the Company's existing shares have been re-designated and are now known as the "Realisation Shares". This reflects the Board's policy to return cash from the proceeds of

the Company's existing investments and the Company's existing assets and any related liabilities will be attributable to the "Realisation Portfolio".

The new ordinary shares are known and referred to as the Ordinary Shares. These new Ordinary Shares will be listed on the premium segment of the Official List and traded on the Main Market. The Ordinary Portfolio together with any related liabilities will be attributable to the Ordinary Shares.

The Placing Programme

The maximum number of Ordinary Shares which will be able to be issued under the Placing Programme will be 100 million. It is intended that the net proceeds of the Placing Programme will be invested in line with the Company's new investment policy in a diversified portfolio of illiquid funds, funds of funds including hedge funds, private equity funds, real estate funds, infrastructure, private investment funds and other alternative and absolute return investment vehicles across the world. In accordance with the new investment policy, the net proceeds of the Placing Programme are permitted to be invested principally in a segregated portfolio of the Warana SP Master Fund SPC (herein referred to as the Warana Master Fund) and/or new segregated portfolios which are launched, in the future, provided that such portfolio has substantially the same investment policy as the Company and the same terms of investment are offered to the Company as those currently contained within the Information and Subscription Agreement. The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised under the Placing Programme, the timing of the Placings and the size of the commitments received from the Warana Master Fund's other investors on its launch.

The Warana Master Fund will have substantially the same investment policy as the Company's new investment policy (except that the Company's investment policy allows for the Company to act as a feeder fund and hold cash and cash equivalents and these permissions are not relevant for the Warana Master Fund and the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets). The Warana Master Fund will also be managed by Warana Capital.

The Warana Master Fund

The Investment Manager set up the Warana SP Master Fund SPC on 27 June 2016 and has already launched, from it, the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio.

The Warana Master Fund will be structured, in the same way as the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio, in order that it is owned by separate feeder funds being the Warana Offshore Fund for non-US investors and the Warana Onshore Fund for US investors.

Being a non-US investor, the Company will invest in the Warana Master Fund through the Warana Offshore Fund in accordance with the terms of the Information and Subscription Agreement. The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised under the Placing Programme, the timings of the Placings and the size of the commitments received from the Warana Master Fund's other investors on its launch. In the light of there being no minimum or maximum subscription amount prescribed by the Warana Master Fund, the Company could invest up to 100 per cent. of the net proceeds of the Placing Programme in the Warana Master Fund (although the Board will always consider whether cash should be retained for working capital purposes).

The Warana SP Master Fund SPC was incorporated with limited liability on 27 June 2016 as a Cayman Islands exempted company under the provisions of the Cayman Islands Law and was reregistered as a Cayman Islands exempted segregated portfolio company under the provisions of the Cayman Islands Law on 19 August 2016. The Warana SP Master Fund SPC, as a segregated portfolio company, can operate segregated portfolios with the benefit of statutory segregation of the assets and liabilities between such portfolios. The Warana SP Master Fund SPC currently has three segregated portfolios, the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio. The 2017 Segregated Portfolio called capital throughout the course of 2017 and it completed 63 transactions to buy 125 different illiquid funds. The 2017 Segregated Portfolio is now fully invested, its investment period has expired and it has now entered into its harvest period. It is no longer open for investment. The 2018 Segregated Portfolio was launched in March 2018 and is in its investment period. It is no longer open for

investment. The 2018 Segregated Portfolio raised approximately US\$50.5 million on its launch and as at 30 June 2019 has invested and is in the execution phase to allocate approximately 85 per cent. of the net proceeds raised in 70 separate transactions to acquire 150 different funds. The Company has committed to an investment of US\$1.23 million in the 2018 Segregated Portfolio of which approximately US\$1.17 million has been called and the Investment Manager has confirmed that no further calls will be made. The 2019 Segregated Portfolio was launched in September 2019 and raised approximately US\$77.5 million. It is no longer open for investment. There are currently no independently reviewed estimates of performance figures available for any of the 2017 Segregated Portfolio, the 2018 Segregated Portfolio or the 2019 Segregated Portfolio. Warana Capital intends to launch further segregated portfolios, including the Warana Master Fund, in the future with the objective of providing investors with attractive risk adjusted returns over a multi-year period by acquiring portfolio investments at discounts to their perceived and/or reported fair value.

The Investment Manager

Warana Capital, LLC a Delaware limited liability company is the investment manager of the Company and will be the Investment Manager of the Warana Master Fund and the Warana Offshore Fund. It advises the Company on the day to day management of its investment portfolio. This will also include advising on the total committed subscription amounts for shares in, and the capital calls of, the Warana Master Fund. Warana Capital, is a specialist investor in and manager of illiquid fund interests and has significant experience with (and ownership of) many of the investment funds in the Existing Portfolio. It will also be responsible for the management and operation of the Warana Master Fund and will have discretionary investment authority over its assets. The Investment Manager will provide the Company with information on the Warana Master Fund in accordance with the Information and Subscription Agreement and the Warana Master Fund PPM in order that the Company can comply with its continuing obligations under the Listing Rules. The terms of the Information and Subscription Agreement are described in more detail in Part 8 of the Prospectus.

The Proposals

Having regard to the benefits of enlarging the Company and thereby reducing the total operating expenses for the Existing Shareholders, the Directors announced on 6 February 2019 that subject to Existing Shareholder approval the Company was proposing to issue a new class of ordinary shares and raise additional equity. The Company is intending to invest the net proceeds in illiquid funds of funds, funds such as hedge funds, private equity funds and other funds. It may also invest in and act as a feeder fund of the Warana Master Fund. Only the holders of the Ordinary Shares (and not the Realisation Shares) will have the opportunity to gain exposure to the Warana Master Fund. The Realisation Portfolio has committed to an investment of US\$1.23 million in the 2018 Segregated Portfolio of which approximately US\$1.17 million has been called and the Investment Manager has confirmed that no further calls will be made. Details of the investment objective, policy and strategy of the Warana Master Fund are set out in Part 3 of the Prospectus.

The Board believes that the introduction of the new share class and the Placing Programme offer the following benefits for Shareholders.

- Given the Company's current investment portfolio (renamed the Realisation Portfolio) is in its realisation stage, the Proposals will provide Existing Shareholders with a clear realisation strategy and the potential for a longer-term investment horizon due to the rights of automatic conversion that are included in the New Articles which are set out in more detail in paragraph 5 of Part 8 of this document.
- The Proposals are expected to provide an attractive overall investment proposition, further diversifying the Company's investment base, including to provide the possible opportunity to offer Shareholders exposure to the Warana Master Fund's (or subsequent segregated portfolios launched in the future under the Warana SP Master Fund SPC) range of assets which aims to provide investors with attractive, risk-adjusted returns over a multi-year period.
- Increasing the Company's issued share capital through the Placing Programme will result in the fixed costs of the Company being spread over a larger asset base and, as a result, the ongoing charges ratio should be lower.

Investment opportunity and outlook

The Company is currently focussed on realising its current portfolio (the Realisation Portfolio) of illiquid assets in an orderly and timely manner and returning cash to the Existing Shareholders. Since its launch the Company has made seven capital distributions in respect of the Realisation Shares in the form of redeemable B share issuances. The Realisation Portfolio remains well diversified and the underlying assets and investments continue to be realised in an orderly manner. The Board is continuing to monitor and work with the Investment Manager to ensure that any opportunity to accelerate returns from such realisations is carefully considered.

The Board, together with the Investment Manager believe that attractive investment opportunities can arise by providing liquidity solutions for investors in funds that do not themselves offer immediate full liquidity solutions.

This is particularly true when an investor has allocated to a fund that had planned to offer redemption facilities but has halted that liquidity alternative. It is the view of the Investment Manager that sellers often have incentives other than the potential long-term value of their investment that result in their determination to sell their positions, particularly if the position size is sufficiently small. As a result, some such illiquid assets may trade at significant discounts to reported valuations and represent attractive investment opportunities for the Company. The Investment Manager believes that focusing on such transactions and funds with more complicated structures or situations, offers the Company a competitive advantage.

The Investment Manager has an investment track record of acquiring investment funds in the secondary market at discounts to the funds' reported net asset values. This strategy provides the opportunity to earn attractive risk-adjusted returns over a multi-year period. It is intended that the new capital raised pursuant to the Placing Programme (and attributed to the new Ordinary Portfolio) will be used to target these types of opportunities.

The Company's investment objective and new investment policy

The investment objective

The investment objective of the Company is to generate total returns for investors through the management and realisation of its portfolio.

The investment policy

The new investment policy of the Company which was approved by the Existing Shareholders at the February EGM is to invest globally in a portfolio of illiquid assets, which is expected to comprise predominantly of investments in funds. The Company will seek to achieve its investment objective principally by gaining exposure to interests in hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, and other alternative and absolute return investment vehicles sponsored or managed by other managers across the world. These other managers may utilise a variety of investment strategies, including, without limitation, private equity, blended structured equity, long/short strategies, distressed and value debt securities investment strategies, relative value strategies, event-driven or opportunistic strategies and private credit and direct lending strategies.

The Company's portfolio investments will generally be illiquid however the Company may also gain exposure to redeemable fund interests, interests in publicly-traded funds, other liquid fund interests, portfolio investments which are not in liquidation, a wide variety of other securities and financial instruments, including structured joint ventures, private debt and equity transactions, and securitisations involving private investment fund interests.

The Company may also act as a feeder fund and invest the assets of any of its portfolios either directly or indirectly into master funds. The Company may create new share classes and portfolios for such illiquid investments and/or such investments in funds (including master funds). It is intended that the Ordinary Portfolio will be invested in, *inter alia*, the Warana Master Fund through the Warana Offshore Fund (and/or potentially other funds or portfolios managed by the Investment Manager).

The Company has not set maximum or minimum exposures for geographical locations, asset classes or sectors but will achieve an appropriate spread of investment risk by investing in a diversified portfolio of illiquid funds (which may, in certain circumstances, solely consist of the Warana Master Fund, by way of

the Company's investment through the Warana Offshore Fund, or other funds launched, or managed by the Investment Manager) securities and other illiquid assets which will be diversified across different geographies and sectors. Furthermore these illiquid funds (including the Warana Master Fund or other funds or portfolios managed by the Investment Manager) will themselves hold a diversified portfolio of investments spread across different geographies and sectors.

The Company may utilise derivatives for the purposes of efficient portfolio management and principally for currency hedging. The Company's investment portfolios are not expected to be constructed to have any particular geographical bias. Accordingly, the Company has the ability to source and buy assets across the world and denominated in any currency for its portfolio. It is expected that the Company will largely be exposed to US Dollars which is the Company's reporting currency.

Investment restrictions

The Company will not invest more than 20 per cent. at the time of investment of its gross assets in any one fund investment (other than the Warana Master Fund through the Warana Offshore Fund or other funds or portfolios managed by the Investment Manager) and it is expected that they will not hold more than 20 per cent. at the time of investment of its gross assets in any one underlying investment on a look through basis.

Although, the exact number of funds and strategies used may vary over time, the Directors intend that the Realisation Portfolio will be invested directly or indirectly in a minimum of 15 underlying funds. As the Realisation Portfolio enters the later stages of its realisation the number of holdings is expected to naturally decrease over time.

The Company will not invest more than 10 per cent. in aggregate, of the total assets of the Company in other listed closed-ended investment funds other than closed-ended investment funds which themselves have published investment policies to invest no more than 15 per cent. of their total assets in the other listed closed-ended funds.

The Company will not invest more than 20 per cent. of its gross assets in Direct Investments.

The Company will hold cash or cash equivalent investments including cash that has been allocated to an investment but not yet called by the relevant underlying fund.

Borrowing limits

Given the illiquid nature of the Company's investments, the Company does not generally expect to use any borrowings. The Company will have the ability to borrow up to a total of 25 per cent. of its net assets for short term purposes and each of the Ordinary Portfolio and the Realisation Portfolio may borrow up to 25 per cent. of their respective net assets using short term facilities.

It is not intended for the Company to have any long-term or fixed structural gearing. The Company may be indirectly exposed to gearing to the extent that the Company's investee funds or segregated portfolios use leverage.

Material changes

Material changes to the Company's investment policy

Any material change to the investment policy will require the prior approval of Shareholders and the prior class consent of Shareholders of the class to which the change relates (except where the proposed material change affects both classes in a similar manner). In the event of any material breach of the Company's investment policy Shareholders will be informed of the actions to be taken by the Company and/or the Investment Manager through an announcement via an RIS.

Material changes to the Warana Master Fund's investment policy

The Warana Master Fund will have an investment policy which is substantially the same as that of the Company's (except that the Company's investment policy allows for the Company to act as a feeder fund and hold cash and cash equivalents and these permissions are not relevant for the Warana Master Fund and the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets) and it will be able to target investments in

Portfolio Investment Funds, Direct Investments and other types of potential investments including interests in structured joint ventures, private debt and equity transactions and securitisations.

The Warana Master Fund will be governed by the law of the Cayman Islands and although it is not required to have a published investment policy which includes investment restrictions and maximum exposures and which may only be materially changed with the approval of shareholders in the same way as the Listing Rules require the Company to have such a published investment policy, the Warana Master Fund will adopt an investment policy which is substantially the same as that of the Company's and it will be published within the Warana Master Fund PPM. Further details of the Warana Master Fund's investment policy are set out in Part 3 of this document. Furthermore, the Company has entered into the Information and Subscription Agreement which will enable the Company in the event the Ordinary Portfolio is principally invested in the Warana Master Fund (and the Company becomes a feeder fund to the Warana Master Fund) to monitor the investment activity of the Warana Master Fund and the Warana Offshore Fund in order that it can ensure that, at all times, its investment policies are consistent with the Company's and provides for the spreading of investment risk and it is in fact investing and managing its investments in a way that is, at all times, consistent with the Company's investment policy and spreads investment risk. The Information and Subscription Agreement provides the Board with the right to receive information from Warana Capital, the Warana Offshore Fund and the Warana Master Fund to allow it to effectively monitor its investments. Furthermore, Warana Capital is the Investment Manager of both the Company and the Warana Master Fund. In the event the Company becomes aware that the Warana Master Fund is not investing or managing its investments in accordance with the Company's investment policy the Board will immediately consider the withdrawal of the Company's investment from the Warana Master Fund pursuant to the terms of the Information and Subscription Agreement or whether to take other appropriate action. Pursuant to the terms of the Information and Subscription Agreement, the Company's prior written consent will be required in the event that the Warana Offshore Fund or the Warana Master Fund wishes to make any material amendment to its investment policy that will be set out in the Warana Fund PPM such that it would be likely to cause the Company to breach its investment policy or any of the Listing Rules particularly those regarding the Company's continuing obligations on diversification and the spread of investment risk. Prior to giving such consent the Company would have to seek, in accordance with the Listing Rules, the approval from its Shareholders and the FCA to any consequential material change that would be necessary to make its published investment policy.

In the event that the Company's consent was not sought or the Company was unable to provide such consent but the Warana Master Fund's investment policy was changed such that the Company was in breach of its investment policy and/or the Listing Rules, the Company has agreed with Warana pursuant to the terms of the Information and Subscription Agreement that the Company will be entitled to: (i) not comply with any further call requests from the Warana Offshore Fund; (ii) sell its shares in the Warana Offshore Fund; or failing a sale, (iii) submit a compulsory redemption request to Warana and the Warana Offshore Fund. Where Warana determines (in good faith) that there is sufficient liquidity in the Warana Master Fund's underlying assets, Warana will use reasonable endeavours to satisfy such compulsory redemption request and enable the Company to redeem its shares in the Warana Offshore Fund. The price at which such shares will be redeemed will be equal to the net asset value per share which will be calculated by Warana as at the valuation day immediately preceding the relevant redemption day. The directors of the Warana Master Fund may, in certain circumstances set out in the Information and Subscription Agreement, effect a redemption of shares *in specie* by way of an appropriation of assets from the Warana Master Fund of the relevant value (which shall conclusively be determined by the directors of the Warana Master Fund in good faith) in satisfaction or part satisfaction of the redemption.

If Warana Capital determine that special circumstances have arisen which may include but are not limited to it being resolved by Warana Capital (in good faith) that the raising of funds to satisfy a compulsory redemption would be unduly burdensome, would cause Warana Capital to breach its fiduciary duties to other investors, the liquidity of the underlying investments in the Warana Master Fund would affect their ability to meet the redemption requests and/or the Warana Master Fund has already entered its realisation period the payment of such proceeds (either *in specie* or in cash) may be postponed.

On this basis, the Board has satisfied itself that the Warana Master Fund will manage its investments in line with the Company's investment policy or it will seek the Company's prior approval if it wishes to invest in a manner that would cause the investment policy of the Company to be breached.

Investment strategy

Breadth of investment opportunities and spread of investment risk

The Board, together with the Investment Manager, believe that the breadth and scope of the Company's proposed investment policy within this illiquid fund sector is critical to the Company's ability to generate total returns for investors. The Investment Manager, in respect of both the Warana Master Fund and the Company, will target smaller transactions within this illiquid investment sector where it feels there is less competition and less seller price sensitivity.

The principle of diversification is embedded in the investment process and structure. The Company and the Warana Master Fund expect to buy existing investors out of existing investment funds which themselves generally have a number of underlying investments. The Company's Existing Portfolio contains 28 underlying Portfolio Investment Funds and one Direct Investment. These assets are being wound up in an orderly manner. The Company expects to achieve further diversification in its Ordinary Portfolio by:

- the investment policy of the Company permitting the Ordinary Portfolio to be principally invested in the Warana Master Fund (or any subsequent segregated portfolio of the Warana SP Master Fund SPC). Depending on its size, it is likely to invest in more than 100 illiquid funds over a typical 18 month investment period. The 2017 Segregated Portfolio raised approximately US\$35 million on its launch and, during its 12 month investment period, bid on 376 different illiquid investment opportunities and completed 63 transactions to buy 125 different illiquid funds. The 2018 Segregated Portfolio was launched in March 2018 and is in its investment period. It is no longer open for investment. The 2018 Segregated Portfolio raised approximately US\$50.5 million on its launch and as at 30 June 2019 has invested and is in the execution phase to allocate approximately 85 per cent. of the net proceeds raised in 70 separate transactions to acquire 150 different funds. The 2019 Segregated Portfolio was launched in September 2019 and raised approximately US\$77.5 million. It is no longer open for investment. The Warana Master Fund will have an investment policy which is substantially the same as that of the Company's (except that the Company's investment policy allows for the Company to act as a feeder fund and hold cash and cash equivalents and these permissions are not relevant for the Warana Master Fund and the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets) and will be able to target investments in Portfolio Investment Funds, Direct Investments and other types of potential investments including interests in structured joint ventures, private debt and equity transactions and securitisations; and
- the Ordinary Portfolio being able to invest in other illiquid funds, assets and investments outside the Warana Master Fund. The exact number of funds and strategies used may vary over time and will depend on the net proceeds raised under the Placing Programme, the timings of the Placings and the timing of the launch of the Warana Master Fund.

The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised pursuant to the Placing Programme and the timing of the Placings. It will also depend on the size of the commitments of the other investors in the Warana Master Fund. In the light of there being no expected minimum or maximum subscription amounts prescribed by the Warana Master Fund, the Company could invest up to approximately 100 per cent. of the net proceeds of the Placing Programme in the Warana Master Fund. However, the Board will always consider whether cash should be retained for working capital purposes and the Company is expected to invest the net proceeds of the Placing Programme in other illiquid funds, funds of funds and other alternative and absolute return investment vehicles across the world in line with the newly approved investment policy.

Further details of the investment strategy for each of the Realisation Portfolio and the Ordinary Portfolio are set out below.

The Realisation Portfolio

The investment strategy of the Company in relation to the Realisation Portfolio is to manage, monitor and realise (liquidate over time) the Realisation Portfolio. The Realisation Portfolio comprises predominantly illiquid interests in funds and other instruments and securities. These include hedge funds, structured products, real estate funds and direct investments, as well as fund of funds and interests comprising portfolios of such funds. The Investment Manager is seeking currently to realise the underlying assets in

the Realisation Portfolio as quickly as possible while also seeking to preserve value. It is not intended currently that the assets held within the Realisation Portfolio will be sold on a fire sale basis.

New investments are not expected to be acquired by the Realisation Portfolio and, as a result of this portfolio being in wind down, it is expected that the Realisation Portfolio may become more concentrated over time as assets are sold.

However, while it is not expected that new investments will be acquired by the Realisation Portfolio, the Investment Manager may deem that additional capital might be needed to be added to certain assets in order to preserve longer term value.

Investment update in relation to the Realisation Portfolio (figures as at 11 October 2019)

<i>Fund</i>	<i>% of portfolio</i>	<i>Description</i>
Vision FCVS RJ Fund	33%	FCVS RJ was an insurance fund set up in Rio de Janeiro, Brazil to protect mortgage borrowers and lenders from inflation shocks. During the period of hyperinflation in the 1980 and 1990s, the insurance fund went bankrupt and the Brazilian federal government rescued the fund by converting the receipts into Brazilian Federal debt claims. The manager, Vision, is working with potential buyers of this portfolio as well as proceeding with the normal liquidation strategy via novation into government debt through the official process.
Vision Eletrobras Fund	29%	<p>Vision is invested in roughly 50 legal claims against Brazil's largest energy provider, Eletrobras having purchased them at discounts to net asset value. The claims stem from compulsory loans made to the utility company to invest in infrastructure in the 1980s and 1990s. When Eletrobras attempted to payback the loans during the period of hyperinflation, the liabilities were miscalculated, and a dispute arose regarding the size of payments.</p> <p>There have been a series of Brazilian court rulings that have upheld Vision's position, but each claim has to undergo a multi-stage validation process to determine the exact quantum. Vision is hopeful that two of the larger claims are nearing a positive conclusion.</p>
Gillett Holdings Limited	13%	Gillett is invested in a real estate development projects in Nikolayev, Ukraine. As majority shareholder of the project, the Company is focused on various aspects to create liquidity including streamlining the ownership structure, consolidating various entities, negotiating aligned management fees and identifying new capital and co-investors.
Growth Management Limited ("GML")	4%	The main assets in GML are emerging market government debt, equity in a Russian company and commercial real estate in the Ukraine. It is likely that the manager will generate some liquidity in 2019 and at the same time it is working on streamlining the fund's corporate structure.

<i>Fund</i>	<i>% of portfolio</i>	<i>Description</i>
Warana SP Master Fund SPC – 2018 Segregated Portfolio	3%	The Warana 2018 was launched in March of 2018 and is currently still in its investment period. It is no longer open for investment. The 2018 Segregated Portfolio raised approximately US\$50.5 million to invest globally in a portfolio of illiquid assets, at a discount to their stated NAV. The portfolio is expected to comprise predominantly of investments in funds. As at 30 June 2019 it has invested and is in the execution phase to allocate approximately 85 per cent. of the net proceeds raised in 70 separate transactions to acquire 150 different funds. The Company has committed to an investment of US\$1.23 million in the 2018 Segregated Portfolio of which approximately US\$1.17 million has been called and the Investment Manager has confirmed that no further calls will be made.
Abax Arhat Fund	2%	This fund is a collection of equity and loan assets mostly in China. The portfolio is concentrated mainly in a Chinese natural gas company and a Chinese recycling copper company. The fund manager has generally been forthcoming with information but is unable to predict timing of exit. Any exit is hampered by the legal process and system in China. A recent sale of fund interests provides a hard data point in terms of valuation.
Autonomy Rochevera Fund	2%	The remaining assets in this fund are mainly commercial real estate located in Brazil. The portfolio will likely result in a complete resolution in the next twelve months near net asset value.
Vision FCVS PB	2%	This holding represents a 10 per cent audit hold back from the sale of this investment in 2018. It is expected that at least 60 per cent of the hold back will be paid to the Company in the next six months with the balance to follow in due course.
Serengeti Opportunities Fund	1%	Serengeti's illiquid assets are mostly equity in a publicly listed company. 93% of the portfolio is a holding in a leading regional casino operator in the Las Vegas ("LV") market. Serengeti continue to believe there is upside in the position and will likely exit the position in the next 2 years.
Other Investments	5%	Investments below 1 per cent.
Net Cash	6%	

The Ordinary Portfolio

The investment strategy of the Company in relation to the Ordinary Portfolio is to invest in a portfolio of illiquid assets, which is expected to comprise predominantly of illiquid investments in funds and funds of funds, hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, special purpose vehicles that have been formed to liquidate assets of a fund (e.g. related to accounts or portfolios of illiquid assets or interests in funds that are in the process of winding down), and other alternative and absolute return investment vehicles. The Company is also permitted to invest in (and become a feeder fund of) the Warana Master Fund through the Warana Offshore Fund and/or any subsequent segregated portfolios of the Warana SP Master Fund SPC. The Investment Manager currently believes that one of the most compelling investment fund opportunities involves buying illiquid funds of funds and other illiquid assets in the secondary market at discounts to their reported net asset

values. This strategy forms the core business of the Investment Manager and the Warana Master Fund and the Company will target these opportunities.

The Ordinary Portfolio's investment in the Warana Master Fund and Warana Offshore Fund

The purpose of the Warana Offshore Fund is to act as an investment vehicle for non-US investors in order that they may gain exposure to the Warana Master Fund. Both the Warana Offshore Fund and the Warana Master Fund will be unlisted Cayman Island exempted segregated portfolio companies which will be incorporated with limited liability under the laws of the Cayman Islands. The Warana Offshore Fund will be set up to offer a tax neutral status for its potential investors, who will be resident in multiple tax jurisdictions.

The investment objective of the Warana Master Fund (like the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio) will be to provide investors with attractive risk-adjusted returns over a multi-year period. To achieve its objective, the Warana Master Fund will have substantially the same investment policy as the Company (except that the Company's investment policy allows for the Company to act as a feeder fund and hold cash and cash equivalents and these permissions are not relevant for the Warana Master Fund and the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets). It will primarily focus on acquiring interests in investment funds (referred to as "**Portfolio Investment Funds**") in the secondary market at discounts to their reported valuations. To a lesser degree, the Warana Master Fund will seek to lend against these types of interests at appropriate rates of return and will also seek to achieve its objective through acquiring underlying fund investments directly from investment funds. Portfolio Investment Funds will generally be managed by independent investment managers or liquidators. The Portfolio Investment Managers employ a broad range of alternative and absolute return investment strategies including, without limitation, listed and private equity related strategies, distressed, value and other debt securities, private credit and direct lending, real estate and infrastructure investment strategies. Warana Capital seeks to identify niche investment opportunities that take advantage of dislocations and inefficiencies in the capital markets.

There will be no geographic, sectoral or asset class limits applicable to the Warana Master Fund. Generally, the Investment Manager seeks to target sellers of positions that are relatively small (sub US\$1 million) and, as a result, it is expected that the Warana Master Fund (similar to the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio) will need to complete many transactions across many different investment opportunities in order to deploy its capital base.

The types of opportunities the Warana Master Fund intends to target include:

- ***Investments in Portfolio Investment Funds***

The Warana Master Fund expects to acquire interests in Portfolio Investment Funds from current investors seeking to sell such interests at a discount to their reported valuations. Portfolio Investment Funds may encompass a wide range of fund types, including hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, special purpose vehicles that have been formed to liquidate assets of a fund (e.g. related to accounts or portfolios of illiquid assets or interests in funds that are in the process of winding down), and other alternative and absolute return investment vehicles. Interests in such investment vehicles are primarily expected to be illiquid. Furthermore, the Warana Master Fund may make loans to investors of the Portfolio Investment Funds against their interests in such vehicles.

- ***Direct Investments***

In addition to purchases of interests in Portfolio Investment Funds, the Warana Master Fund also expects to target direct investments in assets or companies. The Investment Manager expects such direct investments to be acquired from Portfolio Investment Funds (including investment funds not already owned by the Warana Master Fund) or purchased as a direct co-investment alongside investment funds managed by the Investment Manager.

- ***Other types of potential investments***

The Warana Master Fund may also invest in a wide variety of securities and financial instruments, including interests in structured joint ventures, private debt and equity transactions, and securitisations involving private investment fund interests that provide the same type of exposure as sought above.

At the February EGM the Company's Existing Shareholders authorised the Company to act as a feeder fund.

The shares that the Company may hold in the Warana Offshore Fund and the shares the Warana Offshore Fund will hold in the Warana Master Fund will be non-voting. The Company will not have any voting or approval rights as to the Warana Master Fund's operations and/or its management. However, these shares will carry consent rights in certain limited circumstances such as where the Warana Master Fund wishes to change its articles of association or a term of the Warana Master Fund PPM. The Warana Master Fund PPM will set out the investment policy of the Warana Master Fund. In these circumstances, the Warana Master Fund and the Warana Offshore Fund would need to seek the prior approval of the investors (including the Company) of the Warana Offshore Fund and the Warana Onshore Fund by way of a special resolution (being a vote passed by a two-thirds majority).

Furthermore, pursuant to the terms of the Information and Subscription Agreement, the Company's prior written consent will be required in the event that the Warana Offshore Fund or the Warana Master Fund wishes to make any material amendment to its investment policy such that it would be likely to cause the Company to breach its investment policy or any of the Listing Rules particularly those regarding the Company's continuing obligations on diversification and the spread of investment risk.

In the event that the Company's consent was not sought or the Company was unable to provide such consent but the Warana Master Fund's investment policy was changed such that the Company was in breach of its investment policy and/or the Listing Rules, the Company has agreed with Warana Capital pursuant to the terms of the Information and Subscription Agreement that the Company will be entitled to: (i) not comply with any further call requests from the Warana Offshore Fund; (ii) sell its shares in the Warana Offshore Fund; or failing a sale, (iii) submit a compulsory redemption request to Warana Capital and the Warana Offshore Fund. Where Warana Capital determines (in good faith) that there is sufficient liquidity in the Warana Master Fund's underlying assets, Warana will use reasonable endeavours to satisfy such compulsory redemption request and enable the Company to redeem its shares in the Warana Offshore Fund. The price at which such shares will be redeemed will be equal to the net asset value per share which will be calculated by Warana as at the valuation day immediately preceding the relevant redemption day. The directors of the Warana Master Fund may, in certain circumstances set out in the Information and Subscription Agreement, effect a redemption of shares *in specie* by way of an appropriation of assets from the Warana Master Fund of the relevant value (which shall conclusively be determined by the directors of the Warana Master Fund in good faith) in satisfaction or part satisfaction of the redemption.

If Warana Capital determine that special circumstances have arisen which may include but are not limited to it being determined by Warana Capital (in good faith) that the raising of funds to satisfy a compulsory redemption would be unduly burdensome, would cause Warana Capital to breach its fiduciary duties to other investors, the liquidity of the underlying investments in the Warana Master Fund would affect their ability to meet the redemption requests and/or the Warana Master Fund has already entered its realisation period the payment of such proceeds (either *in specie* or in cash) may be postponed. Further details of the Information and Subscription Agreement and the expected timetable for the life of the Warana Master Fund are set out in paragraph 9.1 of Part 8 and Part 3 of this Prospectus respectively.

Other illiquid assets and investments

The Company's new investment policy allows the Ordinary Portfolio to also invest in other illiquid assets and investments in hedge funds and other funds and funds of funds. Warana Capital is the investment manager for both the Company and the Warana Master Fund and it is expected that if an asset fits the Warana Master Fund's investment mandate, it will be allocated to the Warana Master Fund in the first instance.

The Investment Manager expects that it will source certain secondary and other investment opportunities for the Company that will not fit the Warana Master Fund's mandate, or may be too large for the Warana Master Fund to do by itself. The Company may also benefit from its ability to offer a potential seller an opportunity to provide their underlying investors with the choice of Ordinary Shares or cash. The Investment Manager also intends to seek additional investment opportunities that fit the investment mandate to invest excess cash, including cash returned from the Warana Master Fund.

The ability of the Company to invest outside of the Warana Master Fund should further diversify its Ordinary Portfolio.

Investment process in relation to the Warana Master Fund and the Ordinary Portfolio

The Warana Master Fund will have the ability to call investment commitments, up to the total committed subscription amount of each investor, for a typical period of 18 months. The Company's total committed subscription amount will depend on the net proceeds raised pursuant to the Placing Programme and the timing of the Placings. It will also depend on the size of the commitments of the other investors in the Warana Master Fund. In the light of there being no minimum or maximum subscription amount prescribed by the Warana Master Fund, the Company could invest up to approximately 100 per cent. of the net proceeds of the Placing Programme in the Warana Master Fund. However the Board will always consider whether cash should be retained for working capital purposes and it is likely that the Company will invest in other illiquid funds, funds of funds and other alternative and absolute return investment vehicles across the world in line with the Company's investment policy. The Warana Master Fund will be structured as a capital call vehicle. If the Company makes a commitment in the Warana Master Fund it will be called over the investment period as investments are sourced. Therefore, the Ordinary Portfolio would need to reserve cash and other liquid investments in order to meet its total committed subscription amount (which will be agreed between the Company, the Warana Offshore Fund and Warana Capital) to the Warana Master Fund.

The Board has determined a capital distribution policy for the new Ordinary Shares (see paragraph headed "Capital distribution policy" below). It is the intention of the Board to grow the Company over time and to explore the purchase of further assets in accordance with the Company's investment policy which could include further segregated portfolios of the Warana SP Master Fund SPC. The capital required for such further purchases could arise from distributions from the Ordinary Portfolio, including from the Warana Master Fund once it is in its realisation period, and/or from the net proceeds of further share issuances by the Company.

Any future investment proposal for the Company to act as a feeder fund in any future segregated portfolios of the Warana SP Master Fund SPC will be at the discretion of the Board. Furthermore Shareholder approval may be required where any further investment in any successor vehicle results in a material change to the Company's investment policy. The Board will not invest in any future segregated portfolios of the Warana SP Master Fund SPC if the terms of investment offered to the Company are not similar to the terms offered under the Information and Subscription Agreement and/or do not allow the Company to maintain compliance with its investment policy and the Listing Rules.

Valuation methodology and Net Asset Value publication

The net asset values attributable to the Realisation Shares and the Ordinary Shares, as at close of business on the last Business Day of every month, will be calculated by the Administrator and published on the Company's website as soon as practicable and usually within 60 to 90 days of the month end. The timing of the publication of the net asset values is affected by the underlying investment managers providing their valuations to the Company and if they are late in providing such information, this may cause a delay to the publication of the Company's net asset values.

The Realisation Shares

As at 11 October 2019, the Existing Portfolio contained 28 illiquid third-party funds. The quality of assets and information provided by these funds for valuation purposes varies. While many funds provide regular net asset value estimates of their portfolio, it is the Investment Manager's experience that these valuations can be optimistic, and it is generally expected that these types of funds trade at a discount to these valuations in the secondary market (where observable). Some of the funds in the investment portfolio are also delinquent in providing their valuation estimates and/or have not had their accounts audited in a regular timeframe.

As a result, the Company publishes two unaudited net asset values in respect of its Realisation Shares. Both of the net asset values are calculated by the Administrator as at close of business on the last Business Day of every month and published on the Company's website. One net asset value is calculated by the Administrator in accordance with IFRS and on the basis of the values of the underlying assets provided by the underlying fund managers. The other net asset value, the Warana Realisation NAV, is

also calculated by the Administrator, using the provisioning process (explained in more detail below) that is applied by Warana Capital to the values of the underlying assets. The Warana Realisation NAV is published through a Regulatory Information Service.

The Warana Realisation NAV employs a provisioning process to evaluate the assets within the Realisation Portfolio as objectively as possible by taking into account the quality of the information received from the underlying funds, their valuation processes, geographical locations and risks associated with the assets. Where possible, this analysis is then checked against observable secondary market activity.

Ordinary Shares

The Company also intends to publish two unaudited Net Asset Values in respect of the new Ordinary Shares. Both of these net asset values will be calculated as at close of business on the last Business Day of every month and will be published on the Company's website as soon as practicable. One net asset value will be calculated by the Administrator in accordance with IFRS and on the basis of the values of the underlying assets provided by the underlying fund managers.

The other net asset value, the Warana Ordinary NAV, will be calculated by the Administrator, applying Warana Capital's analysis of the cashflows of the underlying expected liquidity discounted for time. It is generally expected that the Warana Ordinary NAV will be lower than the other net asset value that is based on the net asset values provided by the underlying funds. This NAV will be published through a Regulatory Information Service.

The calculation of the Net Asset Value per new Ordinary Share and/or the Net Asset Value per Realisation Share will be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be announced through a Regulatory Information Service.

Capital distribution policy

Any capital distribution in respect of the Realisation Shares will be made from the net assets attributable to the Realisation Shares. Any capital distribution in respect of the Ordinary Shares will be made from the net assets attributable to the Ordinary Shares.

The Realisation Shares

Since the Company's launch, when the Realisation Shares were originally issued at US\$1.00, the Company has made the following seven capital distributions in respect of the Realisation Shares, in the form of redeemable B shares, to the Realisation Shareholders.

<i>Payment date</i>	<i>Amount (per Existing Share)</i>
15 September 2016	US\$0.020
15 December 2016	US\$0.055
30 June 2017	US\$0.025
10 November 2017	US\$0.030
19 April 2018	US\$0.030
13 December 2018	US\$0.020
15 February 2019	US\$0.020
Total	<u>US\$0.20</u>

The Board currently expects to continue to make capital distributions in respect of the Realisation Shares in the form of redeemable B shares.

The Ordinary Shares

The Board currently intends, in the absence of unforeseen circumstances, that it will annually distribute at least 30 per cent. of any realised cash receipts received from the investments within the Ordinary Portfolio held for over 12 months including cash receipts from the Warana Master Fund and subsequent segregated portfolios of the Warana SP Master Fund SPC.

Dividend policy

The Board will consider the appropriateness of paying dividends on the Realisation Shares and the Ordinary Shares from time to time. However, it does not currently intend to pay any dividends to the holders of either the Realisation Shares or the Ordinary Shares.

Gearing Policy

The Company does not generally expect to use any borrowings on the Realisation Shares or the Ordinary Shares. While the Board has no current intention to put in place any borrowings, each of the Realisation Portfolio and the Ordinary Portfolio has the ability to borrow up to 25 per cent. of its respective net assets using short term facilities. The Company's overall gearing limit is 25 per cent. of its net assets.

As at the date of the Prospectus, the Company has not incurred any borrowings or indebtedness and has not granted any mortgages, charges or security interests over or attaching to its Shares.

Capital structure***Share capital***

The share capital of the Company currently consists of ordinary shares. At any general meeting of the Company each Realisation Shareholder and each new Ordinary Shareholder will have, on a show of hands, one vote.

On a poll, each Ordinary Shareholder will have one vote for each Ordinary Share held. On a poll each Realisation Share will carry a number of votes (rounded to the nearest whole number) that equals the sum of the net asset value of the Realisation Portfolio divided by the number of Realisation Shares in issue on the date of the Initial Admission. This formula is set out in the New Articles.

Any material changes to the investment policy of the Company will require the prior approval of Shareholders and the prior class consent of Shareholders of the class to which the change relates (except where the proposed material change affects both classes in a similar manner). The consent of the holders of the relevant Share class will be required for the variation of rights attached to that class of Shares and certain other matters set out in the New Articles which may impact the value of one class of Shares or result in the winding up of the Company.

Duration and continuation vote

As the Company is a long-term investment vehicle it does not have a fixed life. The Company's New Articles provide that a continuation vote must be put to shareholders at the annual general meeting of the Company to be held in 2023 and every second year thereafter.

If any such continuation vote is not passed, the Directors will be obliged to put forward proposals for an orderly winding up or reconstruction of the Company.

The New Articles provide that on a winding up of the Company, Realisation Shareholders will be entitled to participate in the net assets attributable to the Realisation Shares and Ordinary Shareholders will be entitled to participate in the net assets attributable to the Ordinary Shares.

Further issues of Shares

The Board may explore opportunities to increase the size of the Company through further equity issues in the future. The New Articles do confer rights of pre-emption in respect of the allotment and issue of Realisation Shares and Ordinary Shares. The Directors expect that they will, in the future, only issue further Ordinary Shares at prices which are not less than the published Net Asset Value per New Ordinary Share. At the EGM, Existing Shareholders are being asked to approve the issue, on a non pre-emptive basis, of up to 100 million Ordinary Shares pursuant to the Placing Programme.

From time to time and subject to applicable law and regulation, the Company may purchase assets through the issue of new equity (which may be denominated in different currencies if appropriate). The Directors believe that the Company's ability to issue listed equity as consideration could potentially be an important differentiator from other secondary buyers as it will afford vendors a continuing interest in the recovery value of similar illiquid assets thereby providing anti-embarrassment protection for sellers

in the event that assets which they have sold subsequently perform well. The Directors believe that some vendors may find it attractive to exchange their illiquid holdings for Ordinary Shares at the same discount that they would have received for cash settlement (provided such Ordinary Shares are not issued at a discount to the Company's NAV per New Ordinary Share at the time of issue) but with the potential for future share price appreciation and share liquidity through the Official List and the Main Market.

The Directors do not intend to issue any further Realisation Shares.

Share buybacks

The Directors have authority to buy back up to 21,981,993 Existing Shares (being 14.99 per cent. of the number of Existing Shares in issue at the date of the resolution). Although there is no current intention to use this authority, the Directors intend to seek annual renewal of this authority from Existing Shareholders (now the Realisation Shareholders).

At the February EGM Existing Shareholders also provided the Directors with the authority to buy back up to 14.99 per cent. of the new Ordinary Shares in issue on the date of Admission.

Purchases of Realisation Shares and Ordinary Shares will only be made through the market for cash at prices below the prevailing published respective net asset value per Realisation Share or net asset value per Ordinary Share (as last calculated) where the Directors believe such purchases will enhance Shareholder value. Such purchases will also only be made in accordance with the Listing Rules which provide that the price to be paid must not be more than five per cent. above the average of the middle market quotations for the Realisation Shares or Ordinary Shares (as the case may be) for the five business days before the purchase is made.

The New Articles allow the Company to hold up to ten per cent. of the total number of Shares of each class of Shares in issue in treasury when such Shares have been purchased by the Company.

Where the Company buys back Ordinary Shares, the purchase price for such Ordinary Shares will be a liability attributable to the Ordinary Shares and where the Company buys back Realisation Shares, the purchase price for such Realisation Shares shall be a liability attributable to the Realisation Shares.

Pursuant to the current authorities, the Company may retain any Realisation Shares or Ordinary Shares bought back as treasury shares for future re-issue and re-sale or transfer or may cancel any such Shares. During the period when the Company holds any shares as treasury shares, the rights and obligations in respect of those shares may not be exercised or enforced by or against the Company.

The exercise of the Company's powers to repurchase shares is entirely discretionary and no reliance should be placed on the Directors exercising such discretion on one or any occasion.

PART 2

DIRECTORS, INVESTMENT MANAGER AND ADMINISTRATION OF THE COMPANY

Directors

The Board comprises three Directors, all of whom are non-executive and independent of the Investment Manager. The Directors are responsible for the determination of the Company's investment policy and the overall supervision of the Company. The Directors are as follows:

Quentin Spicer (Chairman) Mr Spicer is a resident of Guernsey. He qualified as a solicitor with Wedlake Bell in 1968 and became a partner in 1970 and head of the Property Department. He moved to Guernsey in 1996 to become senior partner in Wedlake Bell Guernsey, specialising in United Kingdom property transactions and secured lending for UK and non-UK tax resident entities. Mr Spicer retired from practice in 2013. He is former chairman of F&C UK Real Estate Investments Limited, Quintain Guernsey Limited, The Guernsey Housing Association LBG, and is a director of a number of property funds including Summit Germany Limited and Phoenix Spree Deutschland Limited. He is a member of the Institute of Directors.

Dr Richard Berman Dr Berman is a UK resident. He has been involved with the investment management sector since 1989. He was previously a Manager with Orion Bank Limited, Treasurer of Andrea Merzario SpA, Group Treasurer of Heron Corporation plc, joint Managing Director and co-founder of Pine Street Investments Limited, and CEO and co-founder of SabreCorp Limited and Signet Capital Management Limited, respectively. His experience includes advising on the establishment, regulation and management of funds and fund management companies in a range of jurisdictions. He has a PhD in History from the University of Exeter and an MA in Economics from the University of Cambridge. He is a Fellow of the Chartered Securities & Investment Institute, a Fellow of the Association of Corporate Treasurers and a Visiting Research Fellow at Oxford Brookes University.

Anthony Pickford (Chairman of the Audit Committee) Mr Pickford is a resident of Guernsey. He qualified as a Chartered Accountant in 1976. He moved to Guernsey in 1978 as an Audit Senior with Carnaby Harrower Barnham & Company (now Deloitte). In 1986 he joined Chandlers as a partner with a specialism in insolvency matters and advised a range of financial services companies and trading companies on insolvency matters as well as acting as financial adviser to local entities. He became Managing Director of the firm in 2000 and assumed the role of Chairman in 2004 until his retirement in 2008. He has previously been a non-executive director of several listed companies. During the year he was also a director of the Catholic National Mutual limited where he chaired the Audit Committee and served on the Investment Committee until he retired on 6 August 2017.

The Investment Manager

On 6 July 2017, the Company announced that Morgan Creek Capital Management LLC had chosen to resign as the Company's investment manager, to focus on its activities in the United States, and that the Company had appointed Warana Capital, LLC as its new investment manager. The Investment Manager acts as the Company's non-EU Alternative Investment Fund Manager for the purposes of the AIFM Directive and, *inter alia*, manages the investments and other assets of the Company with the sole responsibility for the portfolio management and risk management of the assets of the Company in each case in accordance with the Company's investment policy.

The Investment Manager is a Delaware limited liability company. Mr Timothy Ivers and Mr Grant Gillespie are principals of the Investment Manager. Mr Tim Gardner has day to day responsibility for and oversight of the Company. The Investment Manager has an advisory committee of senior investment professionals which acts as a consultant for the Investment Manager in relation to investment strategies and decisions. The Investment Manager has appointed Mr Lawrence Myers and Mr Michael Sternberg to its advisory committee.

Biographic information of Mr Timothy Ivers

Mr Timothy Ivers is a principal of the Investment Manager and a director and officer of the Warana Master Fund. He is responsible for operating the Warana Master Fund.

Mr Ivers has been active in the illiquid secondary fund market since 2010 when he co-founded Dakota Capital and Axle Capital directly to target this space. He was the Chief Executive Officer of those entities and led the due diligence, negotiation and execution of over 200 individual transactions. Prior to launching the Dakota Capital and Axle Capital, Mr Ivers worked in the equity capital markets businesses at UBS (2006-2009) and Merrill Lynch (2004-2006) in Sydney, Australia. Mr Ivers is a CFA Charterholder, a member of CPA (Australia) and received a Bachelor of Commerce and Bachelor of Economics from the University of Queensland, Australia.

Biographic information of Mr Grant Gillespie

Mr Grant Gillespie is a principal of the Investment Manager and a director of the Warana Master Fund. He is also responsible for operating the Warana Master Fund.

Prior to his affiliation with the Investment Manager and the Warana Master Fund, Mr Gillespie worked at a New York City based asset manager that focused on the residential real estate market.

Before that Mr Gillespie attended Columbia University Graduate School of Business full time. Prior to attending Columbia, Mr Gillespie worked at Kristian Regale, Inc., a beverage manufacturer and distributor as its President and Chief Operating Officer (2008-2012) in Paramus, NJ and Merrill Lynch & Co. (2006-2008) in New York. Mr Gillespie is a CFA Charterholder and received a Bachelor of Arts in History from Duke University in North Carolina.

Biographic information of Mr Tim Gardner

Mr Tim Gardner established Warana Capital LLP in July 2017 and has day to day responsibility and oversight for the Company. He is based in London. Prior to joining Warana Capital LLP, Mr Gardner was managing director at Morgan Creek Capital Management Europe. He was also the Managing Director and member of the Executive Board at Signet Capital Management Ltd. Prior to joining Signet in late 2009, he was a Managing Partner of Guardian Capital LLC, which he co-founded in 2004. Prior to Guardian, he worked at Merrill Lynch (1993-2003) in London, New York and Buenos Aires, within the Global Institutional Equities Group and the Private Investment Bank. Mr Gardner has a BA in Business Studies and languages from Oxford Brookes University.

Biographic information of Mr Lawrence Myers

Mr Lawrence Myers was the founding partners of Myers Business Partners, an investment advisory firm located in Sydney, Australia and established in 1998. Since September 2013, Mr Myers has served as the lead independent director and chairman of the audit and risk committee of Breville Group Limited, an ASX listed public company in the electronic appliance industry with operations in Australia, New Zealand, Asia, the UK, Western Europe, Canada and the United States. In addition, Mr Myers serves as a non-executive director of various privately held companies and family owned companies. Mr Myers received his Bachelor of Accountancy from The University of South Australia and has been a member of the Institute of Chartered Accountants in Australia since September 1996. Mr Myers is also registered with the Australian Securities and Investments Commission as a company auditor.

Biographic Information of Michael Sternberg

Mr Michael Sternberg has served as a manager, advisor and/or board member to a number of businesses in the United States and Australia for the past several decades including a large furniture rental business in Australia as well as a series of food processing facilities companies in the United States.

From 1981 to 1987, Mr Sternberg worked at Citibank in both New York and Sydney, where he was a member of their International Banking and Leverage Buyout groups. Mr. Sternberg received his L.L.B. and Bachelor of Commerce from the University of New South Wales in Sydney, Australia as well as a Postgraduate Applied Law Certificate from the College of Law in Sydney, Australia.

The Investment Management Agreement and investment management fee arrangements

The Company entered into an investment management agreement with the Investment Manager on 6 July 2017 under which the Investment Manager was appointed to manage the Company's assets, subject to the overall supervision of the Directors. The Investment Manager manages the Company's investments in accordance with the policies laid down by the Directors and in accordance with the

investment restrictions referred to in the Investment Management Agreement (which includes the Company's investment policy).

Under the terms of the Investment Management Agreement, the Investment Manager provides discretionary investment management services to the Company for an annual fixed fee of US\$500,000 per annum payable quarterly in advance. The Investment Manager is also entitled to a realisation fee of 5 per cent. of the cash distributed to Existing Shareholders. The Investment Manager will continue to be paid these fees in respect of the Realisation Portfolio. The Board intends to monitor the appropriateness of the management fee in relation to the Realisation Portfolio given that the size of the Realisation Portfolio is likely to decrease in the future. In the event the Realisation Shares are automatically converted into Ordinary Shares, the management and performance fees in respect of the Realisation Shares would no longer be payable after such conversion. Further details of such automatic conversions are set out in paragraph 5.3 of Part 8 of this Prospectus.

Under the terms of the Supplemental Agreement to the Investment Management Agreement, the Investment Manager will provide discretionary investment management services in relation to the Ordinary Portfolio for (i) an annual management fee equal to 1.5 per cent. of the market capitalisation of the Ordinary Portfolio calculated on an annualised basis and paid monthly in arrears based on the average closing market capitalisation over the last 10 trading days in every month up to the month end; and (ii) an annual performance fee equal to 20 per cent. of the realised annual gains on each investment in the Ordinary Portfolio which exceed an annual non-compounding minimum return hurdle of 8 per cent. This performance fee will be calculated on an annualised basis and any realised losses incurred on any other assets within the Ordinary Portfolio will be netted off.

The Supplemental Agreement to the Investment Management Agreement extended Warana Capital's initial term and provides that either party may give to the other not less than 12 months' notice to terminate provided that such notice will only be able to be given after the conclusion of the annual general meeting of the Company to be held in 2023.

Further details of the Investment Management Agreement and the Supplemental Agreement to the Investment Management Agreement are set out in paragraph 9.2 of Part 8 of the Prospectus.

The management fee in relation to the Company's investment in the Warana Master Fund will be rebated back to the Company. No performance fee in relation to the Company's investment in the Warana Master Fund through the Warana Offshore Fund will be payable at the Company level. Such performance fee is provided for at the level of the Warana Master Fund and is payable in circumstances where the Warana Master Fund makes a distribution to investors (which is at the discretion of the Investment Manager) provided certain hurdles (non-cumulative) have been achieved in respect of the investors' capital contributions. Should the Company invest in future Warana related funds, performance fees are expected to operate in the same manner and will be disclosed to the Board prior to investment.

Further details in relation to the fees payable by the Warana Master Fund to the Investment Manager are set out in Part 3 of this document.

Conflicts of interest

The Investment Manager and its officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest as between its duty to the Company and duties owed by them to third parties and their other interests. In particular, the Investment Manager has the discretion to determine the quantum of any investment commitment. In the event the Investment Manager determines that the Warana Master Fund should invest more funds into available investments the speed of deployment of the Company's capital may be reduced. The longer the period before investment, the greater the likelihood that having uninvested cash will limit the Company's growth and the returns available for investors. The Investment Manager will have regard to its obligations under the Investment Management Agreement (a summary of the Investment Management Agreement is set out in paragraph 9.2 of Part 8 of this document) or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

Administration and secretarial arrangements

Praxis Fund Services Limited is the Company's administrator and company secretary. In such capacity, the Administrator is responsible for general secretarial functions required by the Companies Law and for assisting the Company with compliance with its continuing obligations as a company listed on the premium segment of the Official List. The Administrator is also responsible for the Company's general administrative functions as set out in the Administration Agreement and will maintain a copy of the register of members of the Company at its registered office.

Under the terms of the Administration Agreement, the Administrator will be paid an annual fee equal to 0.075 per cent. of the Company's net assets, subject to a minimum fee of £95,000 per annum and an annual fee of 0.065 per cent. of the net asset value of the Company attributable to the new Ordinary Shares subject to a minimum of £15,000 per annum. In addition, the Company will also pay the Administrator a fee of £5,000 per annum for AIFMD Annex IV reporting. Fees are payable monthly in arrears. The Company will reimburse the Administrator in respect of reasonable out of pocket expenses properly incurred in the performance of its duties. The Administration Agreement can be terminated by either party on 90 days' written notice.

The Administrator has the benefit of an indemnity from the Company under the terms of the Administration Agreement in relation to liabilities incurred in the discharge of its duties other than those arising by reason of fraud, wilful default or negligence on the part of the Administrator.

Shareholder meetings, reports and accounts of the Company

All general meetings of the Company are held in Guernsey. The Company holds an annual general meeting each year.

The Company's annual accounting date is 30 June and its annual report and accounts are prepared up to 30 June each year and will be published and available to Shareholders (and will be sent to Realisation Shareholders and Ordinary Shareholders) by the following October. Existing Shareholders also receive (and Realisation Shareholders and Ordinary Shareholders will receive) an unaudited half yearly report covering the six months to 31 December each year, which will be published in the following March. The Company also publishes a monthly portfolio update.

Accounting policies

The audited accounts of the Company are prepared under IFRS which the Directors believe is an acceptable body of generally accepted accounting practice. Financial statements prepared by the Company in accordance with IFRS include a statement of comprehensive income, which is not required to differentiate between revenue and capital items but includes realised and unrealised investment gains/losses, a statement of financial position, a statement of cash flows and a statement of changes in equity, together with supporting notes. The Company's management and administration fees, finance costs and all other expenses are charged through the statement of comprehensive income.

Annual expenses

The principal annual expenses of the Company are the fees payable to the Investment Manager, the Administrator and the Directors. The Company will also incur regulatory fees, insurance costs, professional fees, audit fees and other expenses. It is estimated that the total material expenses of the Company for the financial year ending 30 June 2020 (excluding the Issue Costs) will be approximately US\$0.98 million.

Under the New Articles, the Directors are required to allocate the liabilities, costs and expenses in connection with the management of the Company's assets to either the Ordinary Shares or the Realisation Shares. In so allocating such liabilities, costs and expenses, the Directors will allocate them in a way that they believe reflects fairly the amount of the liabilities, costs and expenses attaching to such Shares.

PART 3

THE WARANA MASTER FUND

Investment structure in connection with the Proposals

The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised pursuant to the Placing Programme and the timing of the Placings. It will also depend on the size of the commitments of the other investors in the Warana Master Fund. In the light of there being no expected minimum or maximum subscription amounts prescribed by the Warana Master Fund, the Company could invest up to approximately 100 per cent. of the net proceeds of the Placing Programme in the Warana Master Fund. In such circumstances the Ordinary Portfolio may principally comprise of non-voting participating shares of par value US\$0.01 in the Warana Offshore Fund. The Warana Offshore Fund will hold non-voting participating shares of par value US\$0.01 in the Warana Master Fund.

However, the Board will always consider whether cash should be retained for working capital purposes and it is likely that the Company will invest in other illiquid funds, funds of funds and other alternative and absolute return investment vehicles across the world in line with the Company's investment policy.

As Cayman Islands exempted segregated portfolio companies, both of the Warana SP Offshore Fund SPC and the Warana SP Master Fund SPC are permitted to create segregated portfolios in order to segregate the assets and liabilities that are held within or on behalf of a particular portfolio from the assets and liabilities of another portfolio and from its general assets and liabilities. Segregated portfolio assets are only available and may only be used to meet liabilities to creditors of that particular portfolio and are not available to meet liabilities to creditors of other segregated portfolios or to general creditors of the segregated portfolio company.

As a segregated portfolio of a segregated portfolio company, the Warana Master Fund will be, in effect, a separate fund within the Warana SP Master Fund SPC issuing a separate class of shares, and the Company's interest in the Warana Master Fund (through the segregated portfolio of the Warana Offshore Fund) is limited to the assets held in the relevant segregated portfolio of the Warana SP Master Fund SPC. The Warana Master Fund will bear the expenses and liabilities directly attributable to it and a portion of the Warana SP Master Fund SPC's general administrative expenses allocated on the basis of total net assets or other equitable method.

Warana Capital has identified investors that are likely to be interested in gaining exposure to the Warana Master Fund and they are located in Australia, Asia, the US, Europe, the UK and the Channel Islands (including the Company). Each of these jurisdictions has its own tax regime which can be applied in multiple ways. In particular the United States has specific tax and regulatory nuances that make it advantageous for US investors to invest in an US entity as opposed to a Cayman Islands entity. Both US and non-US investors are better off if they are not comingled into a single entity (as that single entity would be required to make US tax elections which would be likely to detriment one group (the US group or the non-US group) of investors). For these tax and regulatory reasons, the Warana Master Fund will be structured in order that it is owned by separate feeder funds being the Warana Offshore Fund for non-US investors (such as the Company) and the Warana Onshore Fund for US investors.

The Warana Offshore Fund will be set up under the laws of the Cayman Islands due to the number of potential investors from multiple tax jurisdictions that have different nuances and approaches to the taxation of investment income. The Cayman Islands offer legal and political stability as a British Overseas Territory and have a tax neutral status.

The shares that the Company will hold in the Warana Offshore Fund are non-voting and the shares that the Warana Offshore Fund holds in the Warana Master Fund are non-voting. Other than in the event that Warana Capital proposed to make a material change to the investment policy of the Warana Master Fund, the Company will have no voting or approval rights as to the Warana Master Fund's operations or its management. In the event that either of the Warana Offshore Fund or the Warana Master Fund wishes to make any material amendment to its investment policy such that it would be likely to cause the Company to breach its investment policy and/or any of the Listing Rules particularly those regarding the Company's continuing obligations on diversification and the spread of investment risk, the Company's prior written consent will be required. In the event that the Company's consent was not sought or the

Company was unable to provide such consent but the Warana Master Fund's investment policy was changed such that the Company was in breach of its investment policy and/or the Listing Rules, the Company has agreed with Warana pursuant to the terms of the Information and Subscription Agreement that the Company will be entitled to: (i) not comply with any further call requests from the Warana Offshore Fund; (ii) sell its shares in the Warana Master Fund; or failing a sale, (iii) submit a compulsory redemption request to Warana and the Warana Offshore Fund. Where Warana Capital determines (in good faith) that there is sufficient liquidity in the Warana Master Fund's underlying assets, Warana Capital will use reasonable endeavours to satisfy such compulsory request and enable the Company to redeem its shares in the Warana Offshore Fund. The price at which such shares will be redeemed will be equal to the net asset value per share which will be calculated by Warana Capital as at the valuation day immediately preceding the relevant redemption day. The directors of the Warana Master Fund may, in certain circumstances set out in the Information and Subscription Agreement, effect a redemption of shares *in specie* by way of an appropriation of assets from the Warana Master Fund of the relevant value (which shall conclusively be determined by the directors of the Warana Master Fund in good faith) in satisfaction or part satisfaction of the redemption.

If Warana Capital determine that special circumstances have arisen which may include but are not limited to it being resolved by Warana Capital (in good faith) that the raising of funds to satisfy a compulsory redemption would be unduly burdensome, would cause Warana Capital to breach its fiduciary duties to other investors, the liquidity of the underlying investments in the Warana Master Fund would affect their ability to meet the redemption requests and/or the Warana Master Fund has already entered its realisation period the payment of such proceeds (either *in specie* or in cash) may be postponed. Further details of the Information and Subscription Agreement are set out in paragraph 9.1 of Part 8 of this Prospectus.

On the launch of the Warana Master Fund, each investor, including the Company, (if it wishes to invest in the Warana Master Fund) is required to subscribe for a specified total committed subscription amount and provide a minimum capital contribution of five per cent. of such total committed subscription amount. The Company's total committed subscription amount will depend on the net proceeds raised pursuant to the Placing Programme, the timings of the Placings and the size of the commitments received from the Warana Master Fund's other investors. The Warana Master Fund will have a fixed life and for the duration of the Warana Master Fund's typical 18 month call and investment period, the Investment Manager will demand additional capital contributions, up to the total committed subscription amount of each investor, when it wishes to acquire suitable investments. Until the remaining committed subscription amounts are called by the Investment Manager, the Company, if it has agreed to a committed subscription amount, will hold the cash amounts or other liquid securities in its own bank account. At the end of the investment and call period, the Warana Master Fund will enter into its 48 month realisation period during which it will realise its portfolio and return cash to its investors, including the Company.

The Warana Master Fund hasn't been launched, it hasn't commenced operations and it hasn't made any investments. An example of a typical timetable for the launch and life of the Warana Master Fund is set out below:

Action	Illustrative timeline*
Launch of Warana Master Fund	August 2020
Investment period of the Warana Master Fund	18 month period from September 2020 to February 2022
Realisation period of the Warana Master Fund	48 month period from February 2022 to February 2026

* This is an illustrative timeline only. The Investment Manager has the ability to amend this timeline.

The Investment Manager

Warana Capital, LLC, the investment manager to the Company, is also the investment manager of the Warana SP Master Fund SPC and the Warana SP Offshore Fund SPC. The Investment Manager is typically responsible for researching, selecting and monitoring the underlying portfolio investments by the Warana Master Fund and making decisions on when and how much to invest in or dispose of a particular investment.

Investors, such as the Company, in the Warana Offshore Fund do not have any right to participate in the management or investment decisions of the Warana Offshore Fund or the Warana Master Fund.

Mr Timothy Ivers controls (through his shareholding) the Investment Manager and has the investment authority with respect to the Warana Offshore Fund and the Warana Master Fund. Mr Timothy Ivers and Mr Grant Gillespie are the directors of the Warana SP Master Fund SPC. As a board of directors they are able to oversee each of the Warana SP Master Fund SPC's portfolios including the Warana Master Fund once it is established. Warana Capital is registered as an investment adviser under the Advisers Act. In the event of the death or the permanent disability of Mr Timothy Ivers the Warana Master Fund will not make any further investments.

The investment objective and policy of the Warana Master Fund

The Warana Master Fund's investment objective will be to provide investors with attractive risk-adjusted returns by acquiring portfolio investments at discounts to their perceived and/or reported "fair value".

The investment policy of the Warana Master Fund will be to invest globally in a portfolio of illiquid assets which is expected to comprise predominantly of interest in investment funds ("Portfolio Investment Funds"). The Warana Master Fund will seek to achieve its investment objective by investing in hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, and other alternative and absolute return investment vehicles sponsored or managed by other managers which may be domiciled in the United States as well as other foreign jurisdictions ("Portfolio Managers"). These Portfolio Managers may utilise a variety of investment strategies, including, without limitation, private equity, blended structured equity, long/short strategies, distressed and value debt securities investment strategies, relative value strategies, event-driven or opportunistic strategies and private credit and direct investing lending strategy.

The majority of the Portfolio Investments Funds which are expected to be targeted for acquisition by the Warana Master Fund will likely be interests of private funds or fund of funds that have prevented investors from redeeming their interests and/or represent illiquid investments or interests in special purpose vehicles that have been formed to liquidate assets (e.g. related to accounts or portfolios of illiquid assets or interests in funds that are in the process of winding down). Typically, these positions are expected to be realised gradually over time as their Portfolio Managers dispose of their underlying positions.

The Warana Master Fund's portfolio investments will generally be illiquid however it may also gain exposure to redeemable fund interests, interests in publicly-traded funds, other liquid fund interests, portfolio investments which are not in liquidation, a wide variety of other securities and financial instruments, including structured joint ventures, private debt and equity transactions, and securitisations involving private investment fund interests.

Furthermore, the Warana Master Fund may make loans to investors of the underlying, illiquid investment funds in exchange for their limited partnership or other equity interests which are held as collateral. On a selected basis, it may also investments directly in the assets of the underlying, illiquid investment funds, and/or debt or equity of, or other interests in, underlying operating companies (referred to herein as "Direct Investments").

Investment guidelines

The Warana Master Fund will not set maximum or minimum exposures for asset classes or sectors but will achieve an appropriate spread of investment risk by investing in a diversified portfolio of illiquid funds, securities and other illiquid assets which will be diversified across different geographies and sectors. Furthermore these illiquid funds will themselves hold a diversified portfolio of investments spread across different geographies and sectors.

The portfolio of the Warana Master Fund is not expected to be constructed to have any particular geographical bias. Accordingly, the Warana Master Fund has the ability to source and buy assets across the world and denominated in any currency for its portfolio. It is expected that the Warana Master Fund will largely be exposed to US Dollars.

The Warana Master Fund will not invest more than 20 per cent. of its gross assets in any one Portfolio Investment Fund and it is expected that it will not hold more than 20 per cent. of its gross assets in any one underlying investment on a look through basis.

The exact number of Portfolio Investment Funds and strategies used may vary over time but the Warana Master Fund Directors intend that the portfolio will be invested directly or indirectly in a minimum of 15 underlying funds.

The Warana Master Fund will not invest more than 10 per cent. in aggregate of its total assets in listed investment funds.

The Warana Master Fund will not invest more than 20 per cent. of its gross assets in Direct Investments.

The Warana Master Fund will have the ability to borrow up to a total of 25 per cent. of the total capital commitments during its investment phase and call period for the purposes of managing the timing of capital calls and for efficient portfolio management purposes.

The Company's investment policy will be consistent with the Warana Master Fund's investment policy except that the Company's permissions in relation to being able to hold cash and act as a feeder fund are not relevant for the Warana Master Fund and that the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets.

Pursuant to the terms of the Information and Subscription Agreement, the Company will be able to monitor the investment activity of the Warana Master Fund and the Warana Offshore Fund in order that it can analyse whether the Warana Master Fund is in fact investing and managing its investments in a way that is consistent with the Company's investment policy and spreads investment risk.

Furthermore, although the shares that the Company will hold in the Warana Offshore Fund and the shares the Warana Offshore Fund holds in the Warana Master Fund are non-voting and the Company will have no control over the Warana Master Fund's operations or its management these shares do carry consent rights in certain limited circumstances such as where the Warana Master Fund wishes to change its articles of association or a term of the Warana Master Fund PPM which will include amending the Warana Master Fund's investment policy as that is set out in the Warana Master Fund PPM. In these circumstances, the Warana Master Fund and the Warana Offshore Fund would need to seek the prior approval of the investors in both the Warana Offshore Fund (including the Company) and the Warana Onshore Fund by way of a special resolution (being a vote passed by a two-thirds majority).

In the event that either of the Warana Offshore Fund or the Warana Master Fund wishes to make any material amendment to its investment policy such that it would be likely to cause the Company to breach any of the Listing Rules particularly those regarding the Company's continuing obligations on diversification and the spread of investment risk, it would need to seek the prior written consent of the Company.

Investment opportunity

The Investment Manager believes that there is a continuing supply of investors and investment vehicles seeking liquidity in a variety of illiquid assets. It is the view of the Investment Manager that sellers often have incentives other than the potential long-term value of the investment that result in their determination to sell their positions, particularly if the relative position size is sufficiently small to be immaterial. As a result, some such illiquid assets may trade at significant discounts to reported valuations and represent attractive investment opportunities for the Warana Master Fund. In particular, the Investment Manager believes that focusing on smaller-sized transactions and hedge funds and infrastructure funds with more complicated structures or situations may offer the Warana Master Fund a competitive advantage.

In making investment decisions, the Investment Manager believes that a low entry price represents a crucial factor in the overall evaluation of the potential profitability of a position. In its analysis, the Investment Manager generally anticipates that: (i) the asset value will not appreciate; (ii) the period required to realise liquidity will be longer than expected; and (iii) interests of the underlying fund may not align with the interest of the underlying Portfolio Investment Managers.

Sourcing and access to investments

The Investment Manager expects to source investments through a variety of channels, including, without limitation:

- The Portfolio Investment Managers introducing the Investment Manager to existing investors who are looking to sell their interests to achieve liquidity.

- Groups with whom the Investment Manager has previously transacted seeking to sell other interests.
- Intermediary groups conducting mini-auction processes and introducing the Investment Manager to potential sellers.
- Potential sellers who are aware that the Warana Master Fund is an acquirer of assets directly contacting the Investment Manager.
- The Investment Manager directly approaching investment firms that may be sellers of interests.

The Investment Manager expects that a potential key source of direct investment opportunities will relate to assets and companies held in the Portfolio Investment Funds.

The Investment Manager generally anticipates that it will have already reviewed certain direct investments due to information received in connection with a previous investment in the relevant Portfolio Investment Manager's fund. Due to a potential existing relationship with the relevant Portfolio Investment Manager, the Investment Manager expects to have unique access to certain types of direct investment opportunities.

Leverage

Warana Capital, the investment manager will be able to use leverage in certain circumstances. During the Warana Master Fund's investment phase and call period, Warana Capital will have the right to borrow up to 25 per cent. of the total capital commitments of the Warana Master Fund for the purposes of managing the timing of capital calls and for efficient portfolio management purposes.

After the investment phase and call period, Warana Capital will have the right to engage in a variety of borrowing activities in order to effectuate dividend recapitalisation transactions in order to expedite the return of the Warana Master Fund's investment proceeds.

Distribution proceeds

Investment proceeds, net of reserves and amounts necessary to pay other expenses and liabilities will be deemed to be distribution proceeds and distributed at such times as may be determined by the board of directors of the Warana SP Master Fund SPC which has oversight over each of the segregated portfolios, in its sole discretion.

Investment monitoring

On its launch the Warana Master Fund's (as well as the Offshore Fund's) investment policy will be substantially the same as the Company's new published investment policy (except that the Company's investment policy allows for the Company to act as a feeder fund and hold cash and cash equivalents and these permissions are not relevant for the Warana Master Fund and the gearing limit in the Warana Master Fund's investment policy is in respect of the total commitments it has received as opposed to its net assets). In the event the Ordinary Portfolio is principally invested in the Warana Master Fund and/or subsequent segregated portfolios of the Warana SP Master Fund SPC (and the Company becomes a feeder fund to the Warana Master Fund) the Board will monitor the Warana Master Fund (and any of its other master funds) to ensure that, at all times, its investment policies are consistent with the Company's and provides for the spreading of investment risk and it in fact invests and manages its investments in a way that is at all times consistent with the Company's (and the Warana Master Fund's) published investment policy and spreads investment risk. The Information and Subscription Agreement provides the Board with the right to receive information from Warana Capital and the Warana Master Fund to allow it to effectively monitor its investments. Furthermore, Warana Capital is the Investment Manager of both the Company and the Warana Master Fund. In the event the Company becomes aware that the Warana Master Fund is not investing or managing its investments in accordance with the Company's investment policy the Board will immediately consider the withdrawal of the Company's investment from the Warana Master Fund pursuant to the terms of the Information and Subscription Agreement or whether to take other appropriate action.

The Company's limited right of redemption

The Company will not ordinarily have an ability to redeem its shares in the Warana Offshore Fund. The Company's ability to redeem its shares in the Warana Offshore Fund is limited to circumstances, set out in the Information and Subscription Agreement, where the Warana Master Fund's investment policy was changed such that the Company was in breach of its investment policy and/or the Listing Rules. Further details of the Information and Subscription Agreement are set out in paragraph 9.1 of Part 8 of this Prospectus.

Valuation methodology and net asset value calculation

The Warana Master Fund's and Warana Offshore Fund's net asset values are calculated by their administrator, SS&C Technologies Inc. at the close of business on the last business day of every quarter in accordance with IFRS and on the basis of the values of the underlying assets provided by the underlying fund managers.

The Warana Master Fund's net asset value will be published in quarterly factsheets which will be emailed to all of the shareholders in the Warana Master Fund (including the Company). Shareholders in the Warana Offshore Fund will receive a net asset values statement from the Warana Offshore Fund with reference to their holding. The calculation of the net asset values will be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be included in the factsheets and net asset value statements.

Expenses

A quarterly management fee will be borne by each investor in the Warana Offshore Fund and the Warana Onshore Fund. This fee will be payable by the Warana Master Fund to the Investment Manager each quarter in advance. So long as the Investment Manager is both the investment manager of the Warana SP Master Fund SPC and the Company, the Investment Manager will rebate, net-off or otherwise adjust, in full, its management fees in relation to the Company's investment in the Warana Offshore Fund back to the Company.

No performance fee in relation to the Company's investment in the Warana Master Fund through the Warana Offshore Fund will be payable at the Company level. However, a performance fee will be provided for at the level of the Warana Master Fund and will be payable in circumstances where the Warana Master Fund makes a distribution to investors (which is at the discretion of the Investment Manager) provided certain hurdles (non-cumulative) have been achieved in respect of the investors' capital contributions.

PART 4

THE ORDINARY SHARES

The issue of new Ordinary Shares

The Directors are seeking the authority at the EGM to issue up to 100 million Ordinary Shares on a non pre-emptive basis pursuant to the Placing Programme. The Ordinary Shares are denominated in US Dollars and have a nominal value of US\$0.01. The New Articles set out the rights attaching to the Ordinary Shares. Applications will be made to the UK Listing Authority for the Ordinary Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the Main Market.

The Ordinary Portfolio will comprise the cash or other proceeds of subscription for, or the payment up of, any Ordinary Shares and all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired from such cash or other proceeds.

Voting rights

The New Articles that were approved and adopted by Existing Shareholders at the February EGM provide that at any general meeting of the Company, each Ordinary Shareholder will have, on a show of hands, one vote and, on a poll, each Ordinary Shareholder will have one vote for each Ordinary Share held.

The prior class consent of the Ordinary Shareholders will be required prior to *inter alia*:

- any change being made to the investment policy which would materially affect the Ordinary Portfolio;
- any change being made to the New Articles in such a way as to materially affect the class rights of the Ordinary Shares;
- a conversion of the Ordinary Shares into another class; and
- a resolution, other than the continuation vote resolution, being put to Shareholders in a general meeting in relation to the voluntary winding up of the Company.

At any class meeting of Ordinary Shareholders, each new Ordinary Shareholder will have, on a show of hands, one vote and, on a poll, one vote for each new Ordinary Share held.

Rights of the Ordinary Shares as to dividends and capital distributions

The holders of Ordinary Shares will be entitled, in accordance with the New Articles, to receive such dividends as the Directors may resolve to pay such holders out of the net assets attributable to the Ordinary Shares. The Directors do not currently intend to pay any dividends to the holders of the Ordinary Shares. However, they will consider the appropriateness of paying any dividends from time to time.

The Company has the ability to make capital distributions in respect of the Ordinary Shares.

PART 5

THE PLACING PROGRAMME

The Company intends to issue up to a maximum of 100 million Ordinary Shares by way of a Placing Programme. The number of Ordinary Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of Ordinary Shares to be issued. *For illustrative purposes only* if the maximum number of Ordinary Shares are issued pursuant to the Placing Programme in one Placing at US\$1.00 per Ordinary Share, US\$100 million, net proceeds of approximately US\$97.7 million would be raised. The Directors will apply the net proceeds of the Placing Programme in making investments that have been identified by the Investment Manager in accordance with the Company's investment objective and policy. It is intended that the net proceeds of the Placing Programme will be invested in a diversified portfolio of illiquid investments, funds and funds of funds such as hedge funds, private equity funds, real estate funds, infrastructure funds, private investment funds, and other alternative investment vehicles sponsored or managed by investment managers across the world.

The Warana Master Fund will only have one fundraising and close. Although the Company may use the net proceeds of the Placing Programme to invest in, and its investment policy allows it to be a feeder fund of, the Warana Master Fund, it may not be able to invest the net proceeds of any placings under the Placing Programme in the Warana Master Fund. The size of the Company's investment in the Warana Master Fund will depend on the net proceeds raised under the Placing Programme, the timing of the Placings and the size of the commitments received from the Warana Master Fund's other investors on its launch.

In the event that there are any significant changes affecting any of the matters described in the Prospectus or where any significant new matters have arisen after the publication of the Prospectus and prior to Admission of the Ordinary Shares issued pursuant to any placing under the Placing Programme, the Company will publish a supplementary prospectus. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s).

Placing Programme

Under the Placing Programme Ordinary Shares may be issued from 8.00 a.m. on 6 November 2019 until 5.00 p.m. on 9 October 2020. The issue of Ordinary Shares pursuant to the Placing Programme is at the discretion of the Directors. It is expected that a Placing will only be announced when a suitable pipeline of assets that are in accordance with the Company's investment policy have been identified by the Investment Manager. Any Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* in all respects with the existing Ordinary Shares (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares).

Any issues of Ordinary Shares under the Placing Programme will be notified by the Company through a Regulatory Information Service and the Company's website prior to each Admission.

The procedure for, and the terms and conditions of, application under the Placing Programme are set out in Part 11 of the Prospectus.

Conditions

To become effective, each placing under the Placing Programme will require the following events to occur:

- (i) the Placing Programme Price being determined by the Directors;
- (ii) the Admission Condition being satisfied pursuant to such placing under the Placing Programme;
- (iii) the necessary authorities being granted to the Company to allow it to disapply the rights of pre-emption attaching to the Ordinary Shares in relation to the Placings; and

- (iv) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.

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

Placing Programme Price

The Placing Programme Price will be determined by the Board under the Placing Programme and will be calculated by applying a premium to the latest published net asset value per Ordinary Share at the time of each Placing rounded to two decimal places. The Placing Programme Price will be announced through a Regulatory Information Service on the Business Day prior to the close of the relevant placing under the Placing Programme.

Estimated Issue Costs and net proceeds

No expenses are being charged directly to investors. The costs and expenses of the Placing Programme (including documentation costs in respect of the Circular, the February Circular and this Prospectus) will be borne by the Company. For illustrative purposes only, if the maximum number of Ordinary Shares are issued pursuant under the Placing Programme in one placing at US\$1.00 per Ordinary Share, US\$100 million would be raised. In these circumstances, the expenses payable by the Company (i.e. the documentation costs in respect of the Circular, the February Circular and this Prospectus) are estimated to be approximately US\$300,000 resulting in net proceeds of approximately US\$97.7 million.

Typical investor

The profile of a typical investor in the Company is an institution or discretionary investment manager who is seeking total returns through the management and realisation of a portfolio of illiquid assets and who understands and accepts the risks inherent in the Company's investment policy.

Admission and dealings

Applications will be made to the UK Listing Authority for admission of the Ordinary Shares to the Official List. Applications would also be made for the Ordinary Shares to be admitted to trading on the London Stock Exchange throughout the period from 6 November 2019 to 9 October 2020. It is expected that such admission will become effective, and unconditional dealings in the Ordinary Shares issued pursuant to the Placing Programme will commence, in the period from 6 November 2019 to 9 October 2020.

The Ordinary Shares will be issued in registered form and may be held in uncertificated form. The Ordinary Shares allocated will be issued through the CREST system unless otherwise stated. The Ordinary Shares would be eligible for settlement through CREST with effect from Admission.

The Company will arrange for CREST to be instructed to credit the appropriate CREST accounts of the applicants concerned or their nominees with their respective entitlements to the Ordinary Shares. The names of the applicants or their nominees that invest through their CREST accounts would be entered directly on the share register of the Company.

Dealings in the Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

Any Ordinary Shares issued will be denominated in US Dollars.

Dilution

Existing Shareholders will not suffer any dilution to the assets that are attributable to them as a result of the Placing Programme.

Existing Shareholders are not obliged to participate in the Placing Programme. However, those Existing Shareholders who do not participate in the Placing Programme will suffer, at most, a dilution of 68 per cent to the percentage of the issued share capital of the Company that their current holding represents. *For illustrative purposes only* in the event the NAV per Realisation Share is US\$0.50 on Initial Admission, each Realisation Shareholder would have one vote for every two Realisation Shares held.

Scaling back

The Company reserves the right to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part an application for new Ordinary Shares pursuant to the Placing Programme. Accordingly, applicants for Ordinary Shares may, in certain circumstances, not be allotted the number of Ordinary Shares for which they applied.

Subscriber warranties

Each subscriber for Ordinary Shares in the Placing Programme and each subsequent investor in the Ordinary Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgements and agreements set out in paragraph 4 in Part 11 of the Prospectus.

The Company, the Investment Manager, the Sponsor and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

If any of the representations, warranties, acknowledgements or agreements made by the investor are no longer accurate or have not been complied with the investor must immediately notify the Company.

Purchase and transfer restrictions

The 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 Investment Manager or the Sponsor.

The Company has elected to impose the restrictions described in Part 11 of the Prospectus on the Placing Programme 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 US Securities Act and will not have an obligation to register as an investment company under the Investment Company Act and related rules and also to address certain ERISA, US Internal Revenue Code 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. The Company and its agents will not be obliged to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described below.

The Ordinary Shares have not been and will not be registered under the US 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, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons, except pursuant to an exception from or in a transaction not subject to, the registration requirements of the US Securities Act. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold outside the United States to non-US Persons in reliance on Regulation S.

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. No offer, purchase, sale or transfer of the Ordinary Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

PART 6

FINANCIAL INFORMATION (INCLUDING EXISTING PORTFOLIO INFORMATION)

1. Introduction

The financial statements of the Company (prepared in accordance with the Companies Law and IFRS for the financial period from 25 June 2015 (the date of the Company's incorporation) to 30 June 2016 and the financial years to 30 June 2018, in respect of which the Company's auditor, Grant Thornton Limited (Channel Islands), Chartered Accountants, St Peter Port, Guernsey, Channel Islands, who are members of the Institute of Chartered Accountants in England and Wales, made unqualified reports under section 262 of the Law are incorporated by reference into this document.

Copies of the statutory accounts of the Company for the two financial years to 30 June 2018 and the half yearly reports to 31 December 2017 and 31 December 2018 are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and the registered office of the Company until 31 December 2020.

2. Historical financial information

Historical financial information relating to the Company on the matters referred to below is included in (i) the published annual report and audited financial statements of the Company for the two financial years to 30 June 2018; and (ii) the unaudited half yearly reports and accounts for the Group for the six months ended 31 December 2017 and 31 December 2018, as set out in the table below and is expressly incorporated by reference into this document. The non-incorporated parts of these annual reports and audited financial statements of the Company are either not relevant to investors or covered elsewhere in the Prospectus.

<i>Nature of information</i>	<i>Annual report and audited financial statements for the period ended 30 June 2017 Page No.</i>	<i>Annual report and audited financial statements for the year ended 30 June 2018 Page No.</i>	<i>Half yearly report for the six months ended 31 December 2017 Page No.</i>	<i>Half yearly report for the six months ended 31 December 2018 Page No.</i>
Highlights	1	1	1	1
Chairman's Statement	3	3	2-3	2-3
Investment Manager's Report	4-5	4-5	4-6	4-5
Directors' Report	8-11	8-11	—	—
Statement of Comprehensive Income	28	27	10	9
Statement of Financial Position	29	28	11	10
Statement of Changes in Equity	30	29	12	11
Statement of Cash Flows	31	30	13	12
Independent Auditors' Report	21-27	21-26	—	—
Notes to the Financial Statements	32-54	31-52	14-26	13-25
Schedule of Investments	55-58	53-55	27-29	26-28

3. Selected financial information

The information in this paragraph 3 is information regarding the Company which has been prepared by the Company and has been extracted directly from the historical financial information referred to in paragraph 2 of this Part 6. Selected historical financial information relating to the Company which summarises the financial condition of the Company for the two financial years to 30 June 2018 is set out in the following table:

	<i>Period ended 30 June 2017</i>	<i>Year ended 30 June 2018</i>
Net asset value		
Number of shares in issue	146,644,387	146,644,387
Net assets (US\$)	111,068,112	49,223,819
Net asset value per ordinary share ¢	75.74	33.57
Income		
Net losses on financial assets at fair value through profit and loss	(789,174)	(51,481,522)
Other income	—	61,997
Investment income	20,755	—
Net foreign exchange profit/(loss)	(44,511)	4,372
Total net income	<u>(812,930)</u>	<u>(51,415,153)</u>
Expenses		
Investment Manager's fee	909,882	956,241
Other expenses	524,752	674,236
Total operating expenses	<u>1,434,634</u>	<u>1,630,477</u>
Total comprehensive loss for the period/year (US\$)	(2,247,564)	(53,045,630)
Loss per ordinary share ¢	(1.53)	(36.17)
Capital distribution per ordinary share ¢	10.00	6.00
Leverage ratio	N/A	N/A

Selected historical financial information which summarises the financial condition of the Company for the six months ended 31 December 2017 and 31 December 2018 is set out in the following table:

	<i>Six months ended 31 December 2017</i>	<i>Six months ended 31 December 2018</i>
Net asset value		
Number of shares in issue	146,644,387	146,644,387
Net assets (US\$)	61,157,177	44,949,391
Net asset value per ordinary share ¢	41.70	30.65
Income		
Net losses on financial assets at fair value through profit and loss	(44,794,809)	(424,323)
Other income	—	—
Investment income	—	—
Net foreign exchange profit/(loss)	22,960	(28,689)
Total net income	<u>(44,771,849)</u>	<u>(453,012)</u>
Expenses		
Investment Manager's fee	476,100	404,300
Other expenses	263,654	484,228
Total operating expenses	<u>739,754</u>	<u>888,528</u>
Total comprehensive loss for the period/year (US\$)	(45,511,603)	(1,341,540)
Loss per ordinary share ¢	(31.04)	(0.91)
Capital distribution per ordinary share ¢	3.00	2.00
Leverage ratio	N/A	N/A

4. Operating and financial review

A description of changes in the performance of the Company, both capital and revenue, and changes to the Company's portfolio of investments is set out in the sections headed "Chairman's Statement", "Investment Manager's Report" and "Portfolio Analysis" in the annual reports and accounts and the unaudited half yearly reports of the Company as follows:

<i>Nature of information</i>	<i>Annual report and audited financial statements for the period ended 30 June 2017</i>	<i>Annual report and audited financial statements for the year ended 30 June 2018</i>	<i>Half yearly report for the six months ended 31 December 2017</i> <i>Page No.</i>	<i>Half yearly report for the six months ended 31 December 2018</i> <i>Page No.</i>
Chairman's Statement	3	3	2-3	2-3
Investment Manager's Report	4-5	4-5	4-6	4-5
Portfolio Analysis	55-58	53-55	27-29	26-28

5. Significant change

Since 31 December 2018 (being the end of the last financial year of the Company for which financial information has been published) there has been no significant change in the financial position or financial performance of the Company except that the Company paid a capital distribution in respect of its Existing Shares in the form of Redeemable B Shares of US\$0.02 per Existing Share on 15 February 2019 totalling US\$2.9 million.

6. Capitalisation and indebtedness

The following table sets out the capitalisation of the Company as at 28 June 2019 (being the latest date in respect of which the Company has published unaudited financial information).

	<i>28 June 2019</i> <i>(US\$ million)</i>
Capitalisation	
– Share Capital	116.6
– Legal reserves (excl. revenue reserves)	—
– Other reserves	(74.9)
Total	<u>41.7</u>

There has been no material change in the Company's capitalisation since 28 June 2019.

The following table sets out the unaudited indebtedness of the Company (distinguishing between guaranteed and unguaranteed, and secured and unsecured indebtedness) as at 28 June 2019 (the information in the table below being unaudited financial information extracted without material adjustment from the Company's internal management accounting records):

	<i>28 June 2019</i> <i>(US\$ million)</i>
Total current debt	
– Guaranteed	—
– Secured	—
– Unguaranteed/unsecured	—
Total non-current debt	
– Guaranteed	—
– Secured	—
– Unguaranteed/unsecured	—
Total	<u>—</u>

The following table shows the Company's net unaudited liquidity as at 28 June 2019 (the information in the table being unaudited financial information extracted without material adjustment from the Company's internal management accounting records):

	28 June 2019 (US\$ million)
A. Cash	2.8
B. Cash equivalent	—
C. Trading securities	—
D. Liquidity (A+B+C)	2.8
E. Current financial receivable	—
F. Current bank debt	—
G. Current portion of non-current debt	—
H. Other current financial debt	—
I. Current financial debt (F+G+H)	—
J. Net current financial liquidity/(indebtedness)	2.8
K. Non-current bank loans	—
L. Bonds issued	—
M. Other non-current loans	—
N. Non-current financial indebtedness (K+L+M)	—
O. Net financial liquidity/indebtedness (J+N)	2.8

7. Working capital

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements (that is, for at least the next 12 months from the date of the Prospectus).

8. Net Asset Value

The unaudited Net Asset Value per Existing Share (on the basis of the Warana provisioning process) as at 28 June 2019 was US\$0.2843.

9. Capital resources

As at 28 June 2019 the Company's portfolio comprises illiquid fund positions which are mostly denominated in local currencies. The Company has a cash balance of approximately US\$2,854,666. It has no borrowings. It has not bought back any shares and therefore does not hold any shares in treasury. It pays fees to its Investment Manager and other advisers.

10. The Company's Existing Portfolio

The Company acquired an initial portfolio of assets for an aggregate consideration of US\$144 million, from Signet Multi-Manager SPC Inc., on its launch on 17 September 2015. Since then the Company has acquired a portfolio of assets from each of Trusthouse Holding NV, The Green Fund and a liquidator of a small liquidating hedge fund portfolio in Luxembourg. As at 11 October 2019, the Existing Portfolio comprised investments with an aggregate unaudited net asset value, calculated in accordance with the Company's accounting policies of approximately US\$41.7 million. The following tables show the distribution of the Existing Portfolio by fund manager, asset class, sector, geographical location.

The information contained in this paragraph 10 is unaudited and is based on the information provided by the underlying funds within the Company's portfolio which, in the Investment Manager's experience, can be optimistic and/or take a long time to be delivered to the Company. Further details of the Company's valuation methodology are set out in Part 1 of this document.

<i>Significant positions</i>	<i>Underlying manager NAV (US\$m)</i>	<i>Warana Provision</i>	<i>Warana NAV (US\$m)</i>	<i>% of current portfolio</i>
Vision FCVS RJ Fund	\$22.6	-40%	\$13.6	33%
Vision Eletrobras Fund	\$20.1	-40%	\$12.1	29%
Gillett Holdings Limited	\$18.7	-70%	\$5.6	13%
Growth Management Limited	\$2.5	-30%	\$1.8	4%
Warana 2018 Fund	\$1.3	0%	\$1.3	3%
Abax Arhat Fund Limited	\$6.5	-90%	\$0.7	2%
Autonomy Fund	\$0.7	0%	\$0.7	2%
Vision FCVS PB Fund	\$0.7	0%	\$0.7	2%
Serengeti Opportunities Funds	\$0.6	0%	\$0.6	1%
Other Investments	\$28.2	-93%	\$1.9	5%
Net Cash	\$2.6	—	\$2.6	6%
Receivables	\$0.2	—	\$0.2	0%
Total	\$104.9	-60%	\$41.7	100%

<i>Asset Class Exposure</i>	<i>Portfolio weighting</i>
Bonds/Credit	67%
Real Estate	17%
Equity	7%
Other	2%
Cash (includes cash at underlying fund level)	7%
Total	100%

<i>Geographical Allocation</i>	<i>Portfolio weighting</i>
Europe	19%
Ukraine	16%
Russia	2%
United Kingdom	1%
Americas	78%
Brazil	71%
USA	6%
Latin America/Caribbean	1%
Asia	2%
China	2%
Other	1%
Total	100%

PART 7

TAXATION

General

The information below, which relates only to Guernsey and United Kingdom taxation, summarises the advice received by the Board and is applicable to the Company and (except insofar as express reference is made to the treatment of other persons) to persons who are resident in Guernsey or the United Kingdom for taxation purposes and who hold Shares as an investment. 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. It is based on current Guernsey and United Kingdom tax law and published practice and is subject to any subsequent changes therein (potentially with retrospective effect). Withholding taxes that may be suffered in other jurisdictions in which the Company may invest are also outside the scope of this document.

If you are in any doubt about your tax position you should consult your independent professional adviser.

Guernsey

(i) *The Company*

Exempt status

The Company, as a registered closed-ended collective investment scheme, intends to apply to the States of Guernsey Income Tax Authority for exempt status under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended for the current year. Exemption must be applied for annually and will be granted by the Director of the Revenue Service in Guernsey, subject to the payment of an annual fee which is currently fixed at £1,200 provided that the Company continues to qualify under the applicable legislation for exemption. It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it qualifies, and continues to qualify, for exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Company would be treated as not resident in Guernsey for the purposes of liability to Guernsey income tax. Under current law and practice in Guernsey, if it qualifies as an exempt company, the Company will only be liable to tax in Guernsey in respect of income arising or accruing in Guernsey, other than bank deposit interest.

Capital taxes and stamp duty

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the turning of such investments to account is a business or part of a business), nor are there any estate duties (save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant).

No stamp duty is chargeable in Guernsey on the issue, transfer, disposal or redemption of shares other than Documents Duty which can apply in some instances where a company holds Guernsey situated real estate.

(ii) *Shareholders*

Shareholders who are not resident in Guernsey for tax purposes can receive distributions without deduction of Guernsey income tax. The Company will also not be required to withhold Guernsey tax on such distributions.

Shareholders who are resident for tax purposes in Guernsey (which includes Alderney and Herm) will incur Guernsey income tax at the applicable rate on a distribution paid to them (subject to their own circumstances). The Company will be required to provide the Director of the Revenue Service in Guernsey such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of the Revenue Service may require, including the names and addresses of the Guernsey

resident Shareholders, the gross amount of any distribution paid and the date of the payment. Provided the Company obtains and maintains its exempt status, there would currently be no requirement for the Company to withhold tax from the payment of a distribution to a Guernsey resident Shareholder.

US Foreign Account Tax Compliance Act ("FATCA") – US-Guernsey Intergovernmental Agreement

On 13 December 2013 the Chief Minister of Guernsey signed an intergovernmental agreement with the US ("US-Guernsey IGA") regarding the implementation of FATCA. Under the legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain investors in the Company who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the US unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about investors, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The Company will be required to report this information each year in the prescribed format and manner as per local guidance.

Under the terms of the US-Guernsey IGA, Guernsey resident financial institutions that comply with the due diligence and reporting requirements of Guernsey's domestic legislation will be treated as compliant with FATCA and, as a result, should not be subject to FATCA withholding on payments they receive and should not be required to withhold under FATCA on payments they make. If the Company does not comply with these obligations, it may be subject to a FATCA deduction on certain payments to it of US source income (including interest and dividends) and (from 1 January 2019) proceeds from the sale of property that could give rise to US source interest or dividends.

Under the US-Guernsey IGA, securities that are "regularly traded" on an established securities market, such as the Main Market, are not considered financial accounts and are not subject to reporting. For these purposes, Shares will be considered "regularly traded" if there is a meaningful volume of trading with respect to the Shares on an on-going basis. Notwithstanding the foregoing, from 1 January 2016, Shares issued on or after 1 July 2014 will not be considered "regularly traded" and will be considered a financial account if the Shareholder is not a financial institution acting as an intermediary and is registered on the books of the Company. Such Shareholders will be required to provide information to the Company to allow it to satisfy its obligations under FATCA, although it is expected that whilst a Share is held in uncertificated form through CREST, the holder of that Share will likely be a financial institution acting as an intermediary. Shareholders that own the Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under FATCA.

Common Reporting Standard

On 13 February 2014, the Organization for Economic Co-operation and Development released the "Common Reporting Standard" ("CRS") designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement ("Multilateral Agreement") that activates this automatic exchange certain financial information in line with the CRS. More jurisdictions have signed the Multilateral Agreement subsequently and there are currently 106 signatories. Pursuant to the Multilateral Agreement and legislation enacted in Guernsey to implement the CRS with effect from 1 January 2016, certain disclosure requirements will be imposed in respect of certain Investors in the Company who are, or are entities that are controlled by one or more natural persons who are, residents of any of the signatory jurisdictions, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will be disclosed will include certain information about Investors, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company.

Under the CRS, there is currently no reporting exemption for securities that are "regularly traded" on an established securities market, although it is expected that whilst a Share is held in uncertificated form through CREST, the holder of the Share will likely be a financial institution acting as an intermediary. Shareholders that own the Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under the CRS.

Both Guernsey and the UK have signed up to the Multilateral Agreement, but the U.S. has not signed the Multilateral Agreement.

Early adopters who signed the Multilateral Agreement (including Guernsey) committed to implement the first information exchanges by September 2017. Others committed to follow with information exchange starting in 2018.

If the Company fails to comply with any due diligence and/or reporting requirements under Guernsey legislation implementing the US-Guernsey IGA and/or the CRS then the Company could be subject to (in the case of the US-Guernsey IGA) US withholding tax on certain US source payments, and (in all cases) the imposition of financial penalties introduced pursuant to the relevant implementing regulations in Guernsey. Whilst the Company will seek to satisfy its obligations under the US-Guernsey IGA and the CRS and associated implementing legislation in Guernsey to avoid the imposition of any financial penalties under Guernsey law, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each Shareholder and the direct and indirect beneficial owners and/or controllers of the Shareholders (if any). There can be no assurance that the Company will be able to satisfy such obligations.

Request for Information

The Company reserves the right to request from any Shareholder or potential investor such information as the Company deems necessary to comply with FATCA and the CRS, or any obligation arising under the implementation of any applicable intergovernmental agreement, including the US-Guernsey IGA and the Multilateral Agreement, relating to FATCA, the CRS or the automatic exchange of information with any relevant competent authority.

FATCA AND SIMILAR MEASURES FOR THE AUTOMATIC EXCHANGE OF INFORMATION ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE COMPANY, THE SHARES AND THE SHAREHOLDERS IS SUBJECT TO CHANGE. EACH SHAREHOLDER OF SHARES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH SHAREHOLDER IN ITS PARTICULAR CIRCUMSTANCE.

United Kingdom

(i) The Company

It is intended that the Company will be managed and controlled in such a way that it should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom (whether or not through a permanent establishment, branch or agency situated there), the Company will not be subject to United Kingdom income tax or corporation tax other than on certain types of United Kingdom sourced income.

(ii) Shareholders

Offshore fund rules

The Directors have been advised that, under current law, the Company should not be an “offshore fund” for the purposes of UK taxation and that the legislation, contained in Part 8 of the Taxation (International and Other Provisions) Act 2010 (“**TIOPA**”), should not apply.

Accordingly, Shareholders (other than those holding Shares as dealing stock, who are subject to separate rules) who are resident in the United Kingdom, or who carry on business in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected, may, depending on their circumstances and subject as mentioned below, be liable to UK tax on chargeable gains realised on the disposal of their Shares.

Tax on chargeable gains

A disposal of Shares by a Shareholder who is resident in the United Kingdom for tax purposes or who is not so resident but carries on business in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains or capital gains, depending on the Shareholder’s circumstances and subject to any available exemption or relief. For such individual

Shareholders, capital gains tax at the rate of tax of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher and additional rate taxpayers) will be payable on any gain and for such Shareholders that are bodies corporate any gain will be within the charge to corporation tax. Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which for the financial year 2019/2020 exempts the first £12,000 of capital gains from tax) depending on their circumstances. Shareholders which are bodies corporate resident in the United Kingdom for tax purposes may benefit from indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index. Indexation allowance may not give rise to or increase an allowable loss. Changes to Indexation Allowance were introduced by the Finance (No.2) Bill 2017 whereby for disposals made on or after 1 January 2018 indexation allowance will only be calculated to December 2017. Within this measure, indexation allowance would be calculated up to the month in which the disposal of the asset occurs.

Distributions

Individual Shareholders resident in the United Kingdom for tax purposes will be liable to UK income tax in respect of dividends or other income distributions of the Company. UK resident tax payers are currently entitled to a £2,000 annual tax free dividend allowance (fiscal year 2019/2020). Dividends received in excess of the threshold will be taxed, for the fiscal year 2019/20 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers).

The non-repayable dividend tax credit previously available to UK resident individual tax payers' dividends was abolished with effect from 6 April 2016.

UK Shareholders within the charge to UK corporation tax may be liable to UK corporation tax (the main rate of UK corporation tax is currently 19 per cent. and is expected to be reduced to 17 per cent. from April 2020) on the receipt of the dividend. There is however, in general, an exemption from corporation tax on dividends received by UK resident companies, which may exempt such UK corporate shareholders from UK taxation on dividends paid by the Company, depending on their circumstances and subject to certain conditions being satisfied.

A Shareholder who is an individual and who has ceased to be resident in the UK for taxation purposes (or has become treated as resident outside the UK for the purposes of a double tax treaty ("**Treaty non-resident**") may be subject to tax on dividend income under the tax regulations of any jurisdiction to which they are subject outside the UK. Under current legislation, no withholding tax will be deducted from any dividends paid by the Company.

Remittance basis of taxation

In the case of Shareholders who are UK tax resident individuals domiciled outside the UK for UK tax purposes, and to whom the "remittance basis" of taxation applies, any dividends received in respect of the Ordinary Shares and any gains arising on a disposal of the Ordinary Shares will be subject to UK taxation only to the extent that the dividends or disposal proceeds are remitted to the UK. UK resident but non-domiciled individuals who have been resident in the UK for at least 7 of the previous 9 tax years will be subject to an annual charge of £30,000, non-domiciled individuals who have been resident in the UK for at least 12 of the past 14 tax years will be subject to an annual charge of £60,000 in each case if they wish to be taxed on overseas income and gains only on a remittance basis; otherwise all income and gains arising to such individuals will be subject to UK taxation whether or not remitted to the UK. The charge may be creditable under double taxation agreements. Certain exemptions apply; for example, no such charge applies to individuals domiciled outside the United Kingdom who have unremitted offshore income and gains of less than £2,000 in a tax year. From April 2017, if a non UK domiciled individual has been resident in the UK for 15 out of the last 20 years they will become a deemed domicile in the UK and would no longer be able to access the remittance basis and would subsequently be liable to UK tax on their worldwide income and gains.

Transfer of assets abroad

Individuals resident in the United Kingdom should note that Chapter 2 of Part 13 of the Income Tax Act 2007, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad, may render them liable to taxation in respect of any undistributed income and profits of the Company. It should be noted that the Finance Act 2013

amended these provisions in order to make the legislation compatible with EU law. The amendments contained in the Finance Act 2013 limit the scope of these provisions by adding a new exemption from the transfer of assets charge which operates where the EU treaty freedoms are engaged and focuses on whether the nature of a transaction is genuine and whether it serves the purpose of the freedoms.

Controlled foreign companies rules

UK resident companies are, in certain circumstances, subject to tax on the profits of companies not so resident in which they have an interest. Generally, the relevant rules affect UK resident companies which, hold alone or together with certain other associated persons, interests which confer a right to at least 25 per cent. of the profits of a non-resident company where that non-resident company is controlled by persons who are resident in the UK and is subject to a lower level of taxation in its territory of residence. The relevant legislation provides for certain exceptions. UK resident companies holding alone or together with relevant associated persons a right to 25 per cent. or more of the profits of the Company (directly or indirectly) should take their own specific professional taxation advice. These provisions are not directed towards the taxation of capital gains.

Close company provisions

The attention of Shareholders resident in the United Kingdom is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than 25 per cent. of the Shares.

Transactions in Securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

ISAs and SSAS/SIPPs

Investors resident in the United Kingdom who are considering acquiring Shares are recommended to consult their own tax and/or investment advisers in relation to the eligibility of the Shares for ISAs and SSAS/SIPPs.

Shares acquired pursuant to the Offer for Subscription should be eligible for inclusion in an ISA provided that they are attained by an ISA manager in relation to the Offer for Subscription. However, it is not possible for Shares to be allotted directly to an ISA Manager pursuant to the Placing Programme and such shares would not qualify for inclusion in an ISA. Shares acquired in the market after Admission should be eligible for inclusion in a stocks and shares ISA. ISAs have an overall subscription limit of £20,000 per individual, all of which can be invested in shares in relation to the 2019/20 fiscal year.

The Shares may be eligible for inclusion in a SSAS or SIPP, subject to the trustees/ administrators of the relevant SSAS or SIPP having firstly satisfied themselves that the proposed investment falls within the permitted investment/non-taxable property rules that apply to UK registered SSAS/SIPPs.

Stamp duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT will arise on the issue of Shares. No UK stamp duty will be payable on a transfer of Shares, provided that all instruments effecting or evidencing the transfer (or all matters or things done in relation to the transfer) are outside of the United Kingdom and no matters or things done relating to the transfer are performed in the United Kingdom.

Provided that the Shares are not registered in any register kept in the United Kingdom by or on behalf of the Company and that the Shares are not paired with shares issued by a company incorporated in the United Kingdom, any agreement to transfer the Shares will not be subject to UK SDRT.

If any Shareholder is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

PART 8

ADDITIONAL INFORMATION ON THE COMPANY

1. General

- 1.1. The Company is a closed-ended investment company and was incorporated as a non-cellular company limited by shares in Guernsey under the Law, with registered number 60552 on 25 June 2015. It's LEI is 213800R5CHD76J3LU713. The Company operates under the Law and the Ordinary Shares will be created under and issued in accordance with the Law and the New Articles. Its registered office and principal place of business is Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR (telephone number: 01481 737600). The Company has been registered by the GFSC as a Registered Closed-Ended Collective Investment Scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, the Registered Collective Investment Schemes Rules 2018 and the Prospectus Rules 2018 issued by the GFSC. The Company has an indefinite life. Save for its compliance with the Law, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, the Registered Collective Investment Schemes Rules 2018 and the Prospectus Rules 2018, the Company is not an authorised or regulated entity.
- 1.2. The Investment Manager is a Delaware limited liability company, incorporated on 24 June 2016 with registration number 6080636. The Investment Manager is a Delaware Limited Liability company and operates under the laws of Delaware. Its registered office and principal place of business is Level 3, 154 Grand Street, New York, NY USA 10013 (tel: +1(408) 834 2465). The Investment Manager is a registered investment adviser in the US with the SEC. The Investment Manager is also registered as an investment adviser under the United States Investment Advisers Act of 1940, as amended.
- 1.3. Praxis Fund Services Limited has been appointed to act as designated administrator and company secretary under the Administration Agreement. The Administrator is a Guernsey registered company, incorporated on 13 April 2005 with registration number 43046. The Administrator operates under the Law. Its registered office is Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR.
- 1.4. The Administrator is part of the PraxisIFM Group Limited, one of the largest independently owned financial services groups based in the Channel Islands, which listed on The International Stock Exchange on 12 April 2017. The PraxisIFM Group Limited employs over 550 staff across its office network. The head office is in Guernsey but the Administrator has offices across other jurisdictions including Cayman Islands, Jersey, Malta, Luxembourg, Netherlands, UAE and UK. As at 31 August 2019 Financial Services Opportunities Investment Fund Limited indirectly holds 16.1 per cent. of the issued Share Capital of PraxisIFM Group
- 1.5. The Administrator is licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended). Its registered office is Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR.
- 1.6. Citibank, N.A., acting through its London branch, has been appointed to act as custodian for the Company under the Custody Agreement. The Custodian is a company incorporated with limited liability under the National Bank Act of the United States and is regulated by the FCA with firm reference number 124704. Citibank N.A. is a direct, wholly owned subsidiary of Citigroup Inc., which is a direct wholly owned subsidiary of Citigroup Inc., a Delaware corporation and a financial holdings company under the Bank Holding Company Act Citigroup Inc. is listed on the New York Stock Exchange.
- 1.7. The Company has appointed Grant Thornton Limited (Channel Islands) as its auditor. The Auditor is registered as an audit firm with the Institute of Chartered Accountants in England and Wales and has been the only auditor of the Company since its incorporation.

2. Share capital

2.1. The Company was incorporated with no authorised share capital. At incorporation, one Existing Share (as subscriber share) was issued to the subscriber to the memorandum of incorporation. As at the date of the Prospectus, the Company's issued and fully paid up share capital is US\$1,466,443. The par value of both the Existing Shares and the Ordinary Shares is US\$0.01. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or restrictions, whether as to dividend, voting, return of capital, redemption or otherwise, as the Board may determine.

2.2. The issued and fully paid share capital of the Company as at the date of the Prospectus is as follows:

	<i>Number of Existing Shares</i>
Existing Shares	146,644,387

2.3. As at 9 October 2019 (being the latest practicable date prior to the date of the Prospectus) the Company did not hold any Existing Shares in treasury and no Existing Shares were held by or on behalf of the Company itself or by subsidiaries of the Company.

2.4. Since the date of incorporation the following share or loan capital of the Company has been issued:

2.4.1. on 30 September 2015, 852,205 Existing Shares were issued at an issue price of US\$1.00 per Existing Share;

2.4.2. on 3 February 2016, 1,049,679 Existing Shares were issued at an issue price of US\$0.8697 per Existing Share; and

2.4.3 on 31 August 2016, 587,752 Existing Shares were issued in relation to the acquisition of a portfolio of fund interests in accordance with the Company's investment policy for a total consideration of US\$509,170.41.

2.5. No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

2.6. The Company does not have in issue any securities not representing share capital. No convertible securities, exchangeable securities or securities with warrants have been issued by the Company.

2.7. No Existing Shares are currently in issue with a fixed date on which entitlement to a dividend arises or within a time limit after which entitlement to a dividend will lapse in accordance with the Articles and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

2.8. The Ordinary Shares are to be issued pursuant to a resolution of the Board proposed at a duly convened meeting of the Board held immediately after the closing of each Placing conditional only upon the Admission Condition being satisfied.

2.9. N+1 Singer Advisory LLP, Liberum Capital Limited and Winterflood Securities Limited make a market in the Company's Shares.

3. Share capital authorities

3.1. By special resolution of the Company passed on 12 December 2018 it was resolved:

3.1.1. that the Company be generally and unconditionally authorised to make market purchases of up to 21,981,993 Existing Shares (being 14.99 per cent. of the number of the Existing Shares in issue as at the date of the resolution), such authority to expire, unless previously revoked or varied, at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the resolution granting such authority was passed (except in relation to the purchase of Existing Shares the contract for which was concluded before the expiry of said authority or which will or may be executed wholly or partly after such expiry). The maximum price payable, exclusive of any expenses, for each Existing Share shall be an amount equal to the higher of (i) 105 per cent. of the average of the middle market

quotations for an Existing Share (as derived from the daily official list) for the five Business Days immediately preceding the day of purchase and (ii) the latest independent trade and the highest current independent bid on the Official List. The minimum price payable shall be US\$0.01 per Existing Share.

- 3.2. At the February EGM, the Existing Shareholders or, as the case may be in respect of the authority at paragraphs 3.2.4, 3.2.5 and 3.2.6 below, the Independent Shareholders passed the following resolutions:

3.2.1. to amend the Company's investment policy;

3.2.2 to adopt new articles of incorporation of the Company;

3.2.3 to disapply the pre-emption rights contained in the Articles so that the Board has authority to allot and issue (or sell from treasury) in relation to the Initial Placing and Offer (as such terms are defined in the Circular and the resolutions that were passed at the February EGM) of up to 100 million Ordinary Shares (representing approximately 68 per cent. of the issued share capital of the Company as at 4 February 2019) for cash on a non-pre-emptive basis such authority to expire on 24 February 2020;

3.2.4 to approve the issue of Ordinary Shares to Sunrise Partners which constitutes a related party transaction under Chapter 11 of the Listing Rules;

3.2.5 to approve the issue of Ordinary Shares to Long Investment Management which constitutes a related party transaction under Chapter 11 of the Listing Rules;

3.2.6 to approve the entering into by the Company of the Supplemental Agreement to the Investment Management Agreement, which constitutes a related party transaction under Chapter 11 of the Listing Rules;

3.2.7 to permit the redesignation of the existing 146,644,387 ordinary shares of US\$0.01 each issued in the capital of the Company as "Realisation Shares" having the rights thereto as prescribed in the New Articles; and

3.2.8 to authorise the Company to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue immediately following Initial Admission, such authority to expire, unless previously revoked or varied, at the conclusion of the next annual general meeting of the Company or, if earlier, 18 months after the resolution granting such authority was passed (except in relation to the purchase of Shares the contract for which was concluded before the expiry of said authority or which will or may be executed wholly or partly after such expiry). The maximum price payable, exclusive of any expenses, for each Ordinary Share shall be an amount equal to the higher of (i) 105 per cent. of the average of the middle market quotations for an Ordinary Share (as derived from the daily official list) for the five Business Days immediately preceding the day of purchase and (ii) the latest independent trade and the highest current independent bid on the Official List. The minimum price payable shall be US\$0.01 per Ordinary Share.

- 3.3 Existing Shareholders will be asked at the EGM to grant the authority to the Directors to disapply the pre-emption rights contained in the New Articles so that the Board has authority to allot and issue in relation to the Placing Programme up to 100 million Ordinary Shares (representing approximately 68 per cent. of the issued share capital of the Company as at 9 October 2019) for cash on a non-pre-emptive basis such authority to expire on 9 October 2020.

4. Related party transactions

Save for the deeds of indemnity entered into by the Company with the Directors and the Investment Management Agreement (described in paragraphs 6.6 and 9.2 of this Part 8 respectively) 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) at any time since launch.

5. Summary of the New Articles

The New Articles of the Company were adopted on 28 August 2015 and amended and restated on 14 July 2016 by way of special written resolution and on 25 February 2019 by way of special resolution contain provisions described in this paragraph 5 of Part 8.

5.1. **Objects**

The Memorandum and Articles do not limit the objects of the Company.

5.2. **Creation of the Portfolios**

On Initial Admission, the Company will create two portfolios of assets. The Realisation Portfolio will comprise the cash or other proceeds of subscription for, or the payment up of, any Realisation Shares and all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired from such cash or other proceeds. The Ordinary Portfolio will comprise the cash or other proceeds of subscription for, or the payment up of, any Ordinary Shares and all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired from such cash or other proceeds.

Any increase or diminution in the value of the Company's assets shall be applied to the appropriate Portfolio. The Company is required to allocate every liability to a particular class of Shares (such that the net asset value of the Realisation Shares or the Ordinary Shares (as the case may be) is reduced). In the event that the Company is unable to allocate a liability to a particular Portfolio, the Board may (having consulted with the Auditors), adjust the attribution of such a liability to reflect the allocation of the Company's general management and administration expenses. In the event a liability attributable to a Portfolio cannot be met from the assets of that Portfolio, the other Portfolio shall require to meet the liability to the extent of any shortfall.

5.3. **Right of automatic conversion of Realisation Shares**

The New Articles contain the right for the Realisation Shares to be automatically converted into Ordinary Shares if, *inter alia*, the assets of the Realisation Portfolio are reduced to a value that is below US\$5 million.

5.4. **Votes of members**

Subject to the rights or restrictions referred to in paragraph 5.3 below, at a general meeting of the Company, each Realisation Shareholder and each Ordinary Shareholder will have, on a show of hands, one vote. On a poll, each Ordinary Shareholder will have one vote for each Ordinary Share held and each Realisation Share shall carry a number of votes (rounded down to the nearest whole number) as determined in accordance with the formula set out in the New Articles which seeks to ensure the number of votes exercisable by the class of Realisation Shareholders reflects the net asset value attributable to the Realisation Portfolio immediately following Initial Admission.

The prior class consent of the Ordinary Shareholders will be required prior to *inter alia*:

- any change being made to the investment policy which would materially affect the Ordinary Portfolio;
- any change being made to the New Articles in such a way as to materially affect the class rights of the Ordinary Shares;
- a conversion of the Ordinary Shares into another class; and
- a resolution, other than the continuation vote resolution, being put to Shareholders in a general meeting in relation to the voluntary winding up of the Company.

The prior class consent of the Realisation Shareholders will be required prior to *inter alia*:

- any change being made to the investment policy which would materially affect the Realisation Portfolio;

- any change being made to the New Articles in such a way as to materially affect the class rights of the Realisation Shares;
- a conversion, other than the automatic conversion of Realisation Shares into Ordinary Shares when the net asset value of the Realisation Portfolio fall below US\$5 million, of the Realisation Shares into another class; and
- a resolution, other than the continuation vote resolution, being put to Shareholders in a general meeting in relation to the voluntary winding up of the Company.

5.5. ***Restrictions on voting***

Unless the Board otherwise decides, a member of the Company shall not be entitled to vote, either in person or by proxy, at any extraordinary general meeting of the Company in respect of any share held by him unless all calls and other amounts presently payable by him in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to be present or to vote at extraordinary general meetings of the Company or to exercise any other rights of membership if he, or another person appearing to be interested in the relevant shares, has failed to comply with a notice requiring disclosure of interests in shares given under Article 11 of the New Articles within 14 days in a case where the shares in question represent at least 0.25 per cent. of the number of shares in issue of the class of shares concerned, or within 28 days in any other case, from the date of such notice.

5.6. ***Capital distributions and dividends***

The holders of Realisation Shares and Ordinary Shares will be entitled, in accordance with the New Articles, to receive such capital distributions and dividends as the Directors may resolve to pay such holders out of the net assets attributable to Realisation Shares and Ordinary Shares (as the case may be). Any capital distributions in respect of Realisation Shares or Ordinary Shares are expected to be made in the form of redeemable B Shares. The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividend or other monies payable by the Company on or in respect of any Ordinary Share or Realisation Share shall bear interest as against the Company unless otherwise provided by the rights attaching to the Ordinary Share or Realisation Share.

The Directors may, if authorised by an ordinary resolution of the Company, offer the holders of any particular class of shares in the Company the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution.

The Company or the Board may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared.

A dividend unclaimed for a period of seven years after having been declared or became due for payment shall be forfeited and cease to remain owing by the Company.

5.7. ***Return of capital***

On the winding up, the net assets attributable to the Realisation Shareholders shall be distributed to them and the net assets attributable to the Ordinary Shareholders shall be distributed to them.

5.8. ***Variation of rights***

Any rights attaching to a class of shares in the Company may be varied in such manner (if any) as may be provided by those rights or with the written consent of the holders of more than two thirds in number of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of an extraordinary resolution passed at a separate extraordinary general meeting of the holders of the relevant class. The quorum for the separate extraordinary general meeting shall be two persons holding, or representing by proxy, not less than one-third of the voting rights of the issued shares of the relevant class (excluding any shares of that class held as treasury shares).

The Realisation Shares will automatically convert into Ordinary Shares when the net assets attributable to Realisation Shares is equal to or less than \$5,000,000. The Realisation Shares will convert into Ordinary Shares on a NAV per Realisation Share for NAV per Ordinary Share basis. To the extent that any fractional entitlements arise, the Directors are entitled to issue deferred shares of \$0.01 each to Realisation Shareholders with such deferred shares subject to the right of automatic purchase from Realisation Shareholders for a de minimis amount.

5.9. ***Transfer of Shares***

Subject to the restrictions set out in this paragraph, any member may transfer all or any of his shares in the Company in any manner which is permitted by the Companies Law or in any other lawful manner which is from time to time approved by the Board.

The Board may, in its absolute discretion and without giving reason, refuse to register a transfer of any Ordinary Share in certificated form or uncertificated form (subject to the New 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: (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) in relation to a share in certificated form, 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; and (d) the transfer is in favour of any Non-Qualified Holder.

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 rules 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.

5.10. ***Pre-emption rights***

There are no provisions under the Companies Law equivalent to section 561 of the UK Companies Act 2006 which confer pre-emption rights on existing shareholders in connection with the allotment of equity securities for cash or otherwise, but similar pre-emption rights (with certain exceptions) are contained within the New Articles.

The New Articles provide that, unless otherwise authorised by a special resolution, the Company shall not allot equity securities (as defined in the Articles) on any terms unless (i) the Company has first made an offer to each person who holds equity securities in the Company to allot to him, on the same or more favourable terms, such proportion of those equity securities that is as nearly as practicable (fractions being disregarded) equal to the proportion of the total Net Asset Value of the Company represented by the Shares held by the relevant person; and (ii) the period, which shall not be less than 21 clear days, during which any offer referred to in (i) above may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer made. A reference to the allotment of equity securities includes (i) the grant of a right to subscribe for, or to convert any securities into, equity securities in the Company (but does not include the allotment of any equity securities pursuant to such a right) and (ii) the sale of ordinary shares that immediately before the sale are held by the Company in treasury.

The pre-emption rights set out above shall not apply to:

- (a) a particular allotment of equity securities if these are, or are to be, wholly or partly paid up or allotted otherwise than in cash or are allotted in whole or in part otherwise than for cash;
- (b) the allotment of bonus shares in the Company; or
- (c) B Shares.

5.11. ***Disclosure of interests in shares***

The Company has the right, by service of notice in writing, to require a registered member to disclose to the Company the nature of his interest in shares in the Company held at such time or

at any time in the previous three years including the identity of any person, other than the member, who has any interest in the shares held by the member, and the nature of such interest.

A member will be required to respond within 28 days from the date of service of a notice or within 14 days of service of a notice if the relevant shares represent 0.25 per cent. of the number of shares in issue of the class of shares concerned. The sanctions applicable if a member is in default of his obligation to respond to such notice include the member being no longer entitled to exercise voting rights attaching to the shares held by that member, dividends payable on the member's shares being withheld and transfers of shares being refused registration, in each case, until such time as the member complies with the obligation to respond.

5.12. ***Alteration of capital and purchase of shares***

The Company may by ordinary resolution alter its share capital in any way set out below:

- (a) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
- (b) subdivide all or any of its shares into shares of smaller amounts;
- (c) cancel any shares which at the date of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (d) convert the whole, or any particular class, of its shares into redeemable shares;
- (e) re-designate or convert the whole, or any particular class, of its Shares into Shares of another class;
- (f) convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency; and
- (g) where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or subdivisions of that currency or former currency or otherwise.

5.13. ***Continuation vote***

The New Articles provide for a continuation vote at the annual general meeting of the Company to be held in 2023 and every second year thereafter.

5.14. ***General meetings***

Annual general meetings

The Company shall in each calendar year hold a general meeting as its annual general meeting at such time and place outside the UK as may be determined by the directors provided that, so long as the Company holds its first annual general meeting within eighteen months of its incorporation, the Company need not hold an annual general meeting in the year of its incorporation or in the following year.

Convening of general meetings

All meetings, other than annual general meetings, shall be called extraordinary general meetings. The Board may convene an extraordinary general meeting whenever it thinks fit. All extraordinary general meetings shall take place outside the UK. The members of the Company may require the Directors to call an extraordinary general meeting of the Company in accordance with the Companies Law. The Board shall comply with the provisions of the Company Law regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any extraordinary general meeting of the Company.

Notice of extraordinary general meetings

At least ten clear days' notice shall be given of every annual general meeting and of every extraordinary general meeting of the Company, including without limitation, every extraordinary general meeting called for the passing of a special resolution.

Notwithstanding that a meeting is called by less than ten clear days' notice, any such meeting shall be deemed to have been duly called consent in writing is received from all members of the Company entitled to receive notice of such meeting.

Every notice shall specify the place outside the UK, the day and the time of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the Articles, and to any restrictions imposed on any shares, notice of every extraordinary general meeting shall be given to all members, to all persons entitled to a share in consequence of the death, bankruptcy or incapacity of a member, to the auditors (if any) and to every Director who has notified the secretary in writing of his desire to receive notice of extraordinary general meetings.

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote at that meeting instead of him and that a proxy need not also be a member of the Company.

Quorum

No business shall be transacted at any general meeting, except the adjournment of the meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

A quorum of members shall consist of not less than two members present in person or by proxy but so that not less than two individuals will constitute the quorum, provided that, if at any time all of the issued shares in the Company are held by one member such quorum shall consist of that member present.

If within 30 minutes from the time appointed for the holding of a extraordinary general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to a day 5 business days after the original meeting and the same time and place, as the original meeting, or to such later business day, and at such other time and place outside the UK, as the Board may decide. The quorum in respect of such resumed meeting shall be those members present in person.

Chairman

At each general meeting, the chairman of the Board or, if he is absent, one of the other Directors shall preside as chairman of the meeting, but if no Directors are present at the meeting, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

Directors entitled to attend and speak

Whether or not he is a member, a Director shall be entitled to attend and speak at any general meeting, of the Company and at any separate general meeting of the holders of any class of shares of the Company.

Adjournment

With the consent of any meeting at which a quorum is present, the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting to any time and to any place outside the UK.

Method of voting and demand for poll

At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands) a poll is demanded by:

- (a) the chairman of the meeting;
- (b) not less than five members having the right to vote on the resolution; or

- (c) one or more of the members present in person representing in aggregate not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares),

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

Taking a poll

If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place outside the UK and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).

Proxies

A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member.

5.15. Directors

Number and residence

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall be not less than two but there shall be no maximum number of Directors. A majority of the directors (including alternate directors) must be resident for tax purposes outside the UK.

Remuneration

The Directors (other than any alternate director shall be entitled to receive by way of fees for their services as Directors, such sum as the Board may from time to time determine provided that the aggregate amount of such fees for all the Board collectively shall not exceed £150,000 in any financial year in aggregate (or such larger sum as the Company may, by ordinary resolution, determine).

The Directors may be paid all travelling, hotel and other expenses properly incurred in connection with the performance of their duties as Directors including expenses incurred in travelling to and from meetings of the Board, committee meetings, extraordinary general meetings and separate meetings of the holders of any class of securities of the Company.

Retirement of Directors

At each annual general meeting, any Director who has been appointed by the Board since the previous annual general meeting and any Director selected to retire by rotation pursuant to the Articles shall retire from office.

Periodic retirement of Directors

Each Director shall retire from office at the third annual general meeting after the annual general meeting at which he was last elected.

Directors' interests

A Director shall not be entitled to vote on a resolution (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested, save where the other Directors resolve that the Director concerned should be entitled to do so where they are satisfied that the Director's interest is immaterial.

Subject to the Companies Law and to the interest of a Director being duly declared, a contract entered into by or on behalf of the Company in which any Director is in any way interested shall not

be avoided nor shall any Director be liable to account to the Company for any benefit realised as a result of the contract.

Benefits

The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the provisions of the Law, the Memorandum and the New Articles. No special resolution or alteration of the Memorandum or of the New Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or alteration had not been made.

Borrowing and other powers

Subject to the Law, the New Articles and to any directions given to the Company at the extraordinary general meetings by special resolution, the Directors shall manage the Company's business and can use all the Company's powers. In particular, the Directors may exercise all the Company's powers to borrow money, to mortgage or charge all or any of the Company's undertaking, property and assets (present and future) and uncalled capital, to issue debentures and other securities and to give security for any debt, liability or obligation of the Company or of any third party. The Directors will limit the total borrowings of the Company and, so far as they are able, its subsidiary undertakings (if any) to ensure that the total amount of the group's borrowings does not exceed, at the time such borrowings are incurred, 25 per cent. of the Company's net asset value at the time of drawdown of such borrowings.

However, the Shareholders may pass an ordinary resolution allowing borrowings to exceed such limit.

As at the date of the Prospectus there is no mortgage, charge or security interest over or attaching to assets of the Company.

Indemnity of officers

Insofar as the Law allows, the Company may indemnify any Director against any liability except such liability incurred by or through, among other things, their breach of duty or negligence and may purchase and maintain for any Director, insurance against any liability.

Board meetings

The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit provided that no meetings of Directors shall be held in the UK. Any decision reached or resolution passed by the Directors at any meeting which is held in the UK shall be invalid and of no effect.

Quorum

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to the provisions of the Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

There shall be no quorum unless a majority of Directors in attendance at a Board meeting (including any alternate Director) are resident for tax purposes outside the UK and are not attending the meeting from the UK by telephone or other means.

Voting

Questions arising at any Board meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall not have a second or casting vote.

5.16. **CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Company has applied

for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST, as soon as practicable after Admission has occurred.

6. Directors' and other interests

- 6.1. In the financial period ended 30 June 2018, the aggregate amount of remuneration paid to the Directors for services in all capacities to the Group (including expenses) was £95,979.24. Mr Spicer, the Chairman, received a fee of £35,000, and both Mr Pickford and Dr Berman received £30,000 each.
- 6.2. All of the Directors are non-executive directors. None of the Directors have service contracts with the Company nor are any such service contracts proposed. Each of the Directors has entered into a letter of appointment with the Company dated 14 July 2015. The current period of service for each Director expires at the next annual general meeting of the Company to be held in December 2019, subject to renewal at that time. The Company has the right to terminate each appointment without compensation if the relevant Director is required to vacate office in accordance with the Articles and, subject thereto, the letters of appointment do not contain any contractual provisions regarding the compensation which would be payable upon early termination by the Company. None of the Directors receive any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. Accordingly, there are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits to the Directors. The fees payable to the Directors pursuant to their letters of appointment in respect of the financial year are £35,000 per annum to the Chairman, £30,000 to Mr Pickford as chairman of the Audit Committee and £30,000 per annum to Dr Berman. The fees will be reviewed annually and may be increased in line with usual market rates. The Company will also pay insurance premiums in respect of directors' and officers' insurance taken out on behalf of the Directors.
- 6.3. The total emoluments payable to the Directors will not be varied in consequence of the Issues.
- 6.4. No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which were effected by the Company since its date of incorporation or remain in any respect outstanding or unperformed.
- 6.5. No loan or guarantee has been granted or provided by any member of the Company for the benefit of any Director.
- 6.6. The Company has entered into deeds of indemnity in favour of each of the Directors. The deeds of indemnity give each Director the benefit of an indemnity, out of the assets and profits of the Company, to the extent permitted by the Law and subject to certain limitations against liabilities incurred by each of them in the execution of their duties and exercise of the powers as Directors of the Company.
- 6.7. There are no arrangements or understandings with major Shareholders, customers, suppliers or others, pursuant to which any Director was selected.
- 6.8. There are no restrictions agreed by any Director on the disposal within a certain period of time of their holdings in the Company's securities.
- 6.9. The Directors do not have any options over Shares. As at the date of the Prospectus, the interests of the Directors in the issued share capital of the Company were as follows:

	<i>No. of Shares</i>	<i>Percentage of issued share capital</i>
Quentin Spicer	—	—
Anthony Pickford	100,000	0.07
Dr Richard Berman	—	—

Each of Quentin Spicer and Anthony Pickford have confirmed that they intend to subscribe for approximately 25,000 Ordinary Shares under the Placing Programme subject to applicable laws and regulations.

6.10. Details of those companies (other than the Company) and partnerships of which the Directors have been directors or partners at any time within the five years ending on 9 October 2019 (being the latest practicable date prior to the publication of the Prospectus) are as follows:

	<i>Current directorships/partnerships</i>	<i>Previous directorships/partnerships</i>
Quentin Spicer	Marmalade Holdings Investment Limited (formerly Marmalade Holdings Guernsey Limited) Phoenix Spree Deutschland Limited PINE Trustee (Jersey) Limited Project Scott (Jersey) Limited PS Holdings Independent Voting Company Limited Summit Properties Limited (formerly Summit Germany Limited) P 17 Investments Limited (formerly Paddington 17 Guernsey Limited)	Squarestone Brazil Limited F&C UK Real Estate Investments Limited IPT Property Holdings Limited RAB Special Situations Company Limited Laurium General Partner Limited Laurium Management Limited Quintain Guernsey Limited Guernsey Housing Association LBG Alderney Housing Association Limited
Dr Richard Berman	All Square Productions Copyhold Farm Partners QCCC Sales Limited Q.C. Correspondence Circle Limited Sabre Corporate Finance Limited The Sound Agency Limited	SabreCorp Limited Sainty, Hird & Partners Limited Signet Multi Manager SPC Inc Signet UCITS Funds Plc Signet Global Investors Limited Signet Distribution Limited Innovator Capital Limited Sustainable Finance & Investment Corporation Limited
Anthony Pickford	Benbridge Investments Limited CRP Holdings Limited Flock Investments Limited Ironwood Trustees Limited Le Friquet Investment Limited Marton Limited Meresborough Investments Limited Selford Limited Situations Recruitment Limited Face Equality International LBG	Acropolis Capital Limited Glanmore Property Fund Limited (<i>in voluntary liquidation</i>) Grow Limited Manpan S.A. Mercator Holdings Limited M.G.I Golf and Leisure Opportunities Fund Limited Nova Financial Services Limited Nebbia Holdings Limited (<i>voluntary strike off</i>) Nova Investment Management Limited Peninsula Insurance Limited Teign Estates Limited The Catholic National Mutual Limited

As at the date of the 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.

6.11. As at the date of the Prospectus none of the Directors:

- (a) has been a member of any administrative, management or supervisory body or partner of any company or partnership at any time during the five years preceding the date of the Prospectus, save as disclosed in paragraph 6.10 above;
- (b) has had any convictions in relation to fraudulent offences for at least the previous five years;
- (c) has been associated with any bankruptcies, receiverships or liquidations when acting in the capacity of a member of the administrative, management or supervisory body or a partner of the companies and/or partnerships referred to in paragraph 6.10 above for at least the previous five years, save as disclosed in paragraph 6.12 below; or

- (d) has any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years (for this purpose “issuer” has the meaning ascribed to it by Appendix I to the Prospectus Rules).

6.13 There are no potential conflicts of interest between any duties of the Directors of the Company and their private interests and/or other duties. All of the Directors are independent of the Investment Manager and any other company in the same group of companies as the Investment Manager.

7. Corporate governance

As the Company is listed on the premium segment of the Official List it is required to comply with all of the relevant provisions of the UK Corporate Governance Code issued by the Financial Reporting Council in July 2018 (the “Code”) or to explain any non compliance in its annual reports and accounts.

The Chairman, and each of the other Directors, is independent of the Investment Manager. Each member of the Board is non-executive.

The Board also considers the principles and recommendations of the AIC’s Code of Corporate Governance (the “AIC Code”) by reference to the AIC Corporate Governance Guide for Investment Companies. It is the intention of the Directors that the Company will continue to comply with the recommendations of the AIC Code and the relevant parts of the Code in all material respects except as disclosed below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors’ remuneration; and
- the need for an internal audit function.

The GFSC’s “Finance Sector Code of Corporate Governance” (the “GFSC Code”) applies to all companies that hold a licence from the GFSC under the regulatory laws or which are registered or authorised as collective investment schemes, which includes the Company. The Company has voluntarily committed to comply with the AIC Code. Companies which report against the AIC Code are deemed to meet the requirements of the GFSC Code.

Independence

The Board consists solely of non-executive Directors of which Quentin Spicer is Chairman. All of the Directors are considered by the Board to be independent of the Investment Manager. The Board’s policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company’s Directors, including the Chairman, has been imposed. New Directors will receive an induction from the Investment Manager on joining the Board, and all Directors receive other relevant training as necessary.

Senior Independent Director

In view of its non-executive nature and the requirement of the Articles that all Directors retire periodically at least every three years, the Board considers that it is not appropriate for a Senior Independent Director to be appointed.

Appointment, re-election and remuneration of Directors

Directors are selected and appointed by the Board as a whole functioning as a nomination committee. It is chaired by Mr Spicer. There is no separate nomination committee as the Board is considered small relative to listed trading companies for the purposes of the AIC Code. The Directors are therefore responsible for reviewing the size, structure and skills of the Board and considering whether any changes are required or new appointments are necessary to meet the requirements of the Company’s business or to maintain a balanced Board.

The New Articles require that Directors submit themselves for re-election at least every three years. In addition, the Board has agreed that any Director with more than nine years' service will be required to stand for re-election at each annual general meeting. Further details are given at paragraph 5 of this Part 8.

The Company does not have a separate remuneration committee as the Board as a whole fulfils the function of a remuneration committee.

Board and Directors' performance appraisal

The performance of the Board committees and individual Directors will be evaluated through an assessment process, led by the Chairman. The performance of the Chairman will be evaluated by the other Directors.

The Audit Committee

The Board is supported by the Audit Committee and the Management Engagement Committee. The Audit Committee and the Management Engagement Committee have written terms of reference, which are reviewed at least annually and clearly define their responsibilities and duties.

Mr Pickford is the chairman of the Audit Committee which comprises the full Board. Its duties in discharging its responsibilities will include reviewing the annual and half yearly accounts, the system of internal controls, and the terms of appointment and remuneration of the auditor. It is also the forum through which the auditor reports to the Board. The committee is expected to meet at least twice a year. The objectivity of the auditor will be reviewed by the Audit Committee, which will also review the terms under which the external auditor is appointed to perform non-audit services. The Audit Committee will review the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditor, with particular regard to non-audit fees.

Management Engagement Committee

Mr Spicer is the chairman of the Management Engagement Committee which comprises the full Board. The Management Engagement Committee will review the appropriateness of the Investment Manager's continuing appointment, together with the terms and conditions thereof on a regular basis.

8. Substantial Share interests

- 8.1. The Law imposes no requirement on Shareholders in the Company to disclose holdings of 5 per cent. (or any greater limit) or more of the share capital of the Company. However, the Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) must notify the Company, following Admission, 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 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent. and 75 per cent.

As at the close of business on 9 October 2019 (being the latest practicable date prior to the publication of the Prospectus) the Company is aware of the following persons who directly or indirectly are interested in five per cent. or more of the Company's issued share capital.

	<i>Number of Existing Shares</i>	<i>Percentage of issued share capital</i>
JP Morgan Securities	35,331,365	24.09
Long Investment Management	24,562,215	16.75
The Bank of New York (Nominees) Limited	16,425,189	11.20

- 8.2. As at the close of business on 9 October 2019 (being the latest practicable date prior to the publication of the Prospectus), the Directors are not aware of any person or persons who could, directly or indirectly, jointly or severally, own or exercise control over the Company or of any arrangements, the operation of which may result in a change of control of the Company.
- 8.3. The major shareholders set out above do not have different voting rights from any other holder of shares in respect of any shares held by them.

9. Material contracts of the Company

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation or which are expected to be entered into prior to Admission and which are, or may be, material to the Company:

- 9.1. The Company and the Investment Manager have entered into the Information and Subscription Agreement. In the event that the Proposals become effective and in consideration for the Company raising monies and investing such monies in the Warana Master Fund, each of the parties has agreed that for so long as the Company continues to remain principally invested in the Warana Offshore Fund, it will provide or procure that the Company is provided with certain specified information to enable the Company to comply with all its legal and regulatory obligations under the Listing Rules including to monitor the performance and value of its investment in the Warana Master Fund and to analyse whether the Warana Master Fund is, in fact, investing in accordance with its investment objectives and policies and spreading investment risk.

The Information and Subscription Agreement also provides that in the event that either of the Warana Offshore Fund or the Warana Master Fund wished to make any material amendments to their investment policies such that it would be likely to cause the Company to breach any of the Listing Rules particularly those regarding the Company's continuing obligations on diversification and the spread of investment risk, the Company's prior written consent would be required. In the event that the Company's consent was not sought or the Company was unable to provide such consent but the Warana Master Fund's investment objectives, programs, strategies, policies and/or investment restrictions were changed such that the Company was in breach of its investment policy and/or the Listing Rules the Company has agreed with Warana that, subject to Warana, Warana Offshore Fund and Warana Master Fund complying with all the regulatory and legal requirements, the Company will be entitled to: (i) not comply with any further call requests from the Warana Offshore Fund; (ii) request Warana to use all reasonable endeavours to sell its exposure to Warana Offshore Fund; or failing a sale (iii) submit a compulsory redemption request to Warana Capital and the Warana Offshore Fund. Where Warana Capital determines that there is sufficient liquidity in the Warana Master Fund's underlying assets, Warana Capital will use reasonable endeavours to satisfy such compulsory redemption request and enable the Company to redeem its shares in the Warana Offshore Fund. The price at which such shares will be redeemed will be equal to the net asset value per share which will be calculated by the Warana Master Fund's administrator as at the valuation day immediately preceding the relevant redemption day. The directors of the Warana Master Fund may, in certain circumstances set out in the Information and Subscription Agreement, effect a redemption of shares *in specie* by way of an appropriation of assets from the Warana Master Fund of the relevant value (which shall conclusively be determined by the directors of the Warana Master Fund in good faith) in satisfaction or part satisfaction of the redemption.

If Warana Capital determines that special circumstances have arisen which may include but are not limited to it being resolved by Warana Capital (in good faith) that the raising of funds to satisfy a compulsory redemption would be unduly burdensome, would cause Warana Capital to breach its fiduciary duties to other investors, the liquidity of the underlying investments in the Warana Master Fund would affect their ability to meet the redemption requests and/or the Warana Master Fund has already entered its realisation period, the payment of such proceeds (either *in specie* or in cash) may be postponed. The parties have agreed that Warana may choose not to accept any or all of the Company's subscription and if Warana Capital is no longer the investment manager to the Company, the Information and Subscription Agreement provides that the Company will indemnify Warana against all claims incurred by it as a result of the Company disclosing, without the consent of Warana Capital, certain confidential information provided to it by Warana Capital save where any such disclosure is required in accordance with applicable laws and/or a request from a regulatory authority.

The Information and Subscription Agreement is governed by the laws of the Cayman Islands.

- 9.2. The Company and the Investment Manager have entered into an investment management agreement dated 6 July 2017 which has been amended by the Supplemental Agreement to the Investment Management Agreement. The Investment Manager is appointed to act as investment manager of the Company. In its capacity as investment manager, the Investment Manager will

provide discretionary investment management services to the Company. The Investment Manager is entitled to delegate part of its duties under the Investment Management Agreement to its associates or any third party.

Under the terms of the Investment Management Agreement, the Investment Manager has agreed to act in good faith and with the reasonable skill and diligence expected of a competent and prudent investment manager and to act in the best interests of the Company. The Investment Management Agreement contains an unlimited indemnity in favour of the Investment Manager against claims by third parties except to the extent that the claim is due to a breach by the Investment Manager of the Investment Management Agreement or to the negligence, wilful default or fraud of the Investment Manager or any associate to whom the Investment Manager has delegated any of its functions.

Under the terms of the Investment Management Agreement the Investment Manager is entitled to receive from the Company, in respect of the investment management services provided, a fixed management fee of US\$500,000 per annum payable quarterly in advance. The Investment Manager is also entitled to a realisation fee of 5 per cent. of the cash distributed to holders of Realisation Shares.

The Supplemental Agreement to the Investment Management Agreement provides that Warana Capital will provide discretionary investment management services in relation to the Ordinary Portfolio for:

- (i) an annual management fee equal to 1.5 per cent. of the market capitalisation of the Ordinary Portfolio calculated on an annualised basis and paid monthly in arrears based on the average closing market capitalisation over the last 10 trading days in every month up to the month end; and
- (ii) an annual performance fee equal to 20 per cent. of the realised annual gains on each investment in the Ordinary Portfolio (excluding the Warana Master Fund) which exceed an annual non-compounding minimum return hurdle of 8 per cent. This performance fee will be calculated on an annualised basis and any realised losses incurred on any other assets within the Ordinary Portfolio will be netted off.

The management fee in relation to the Company's investment in the Warana Master Fund will be rebated back to the Company. No performance fee in relation to the Company's investment in the Warana Master Fund through the Warana Offshore Fund will be payable at the Company level. Such performance fee is provided for at the level of the Warana Master Fund and is payable in circumstances where the Warana Master Fund makes a distribution to investors (which is at the discretion of the Investment Manager) provided certain hurdles (non-cumulative) have been achieved in respect of the investors' capital contributions. Should the Company invest in future Warana related funds, performance fees will operate in the same manner and will be disclosed to the Board prior to investment.

The Supplemental Agreement has also extended Warana Capital's initial term and provides that either party may give to the other not less than 12 months notice to terminate provided that such notice will only be able to be given after the conclusion of the annual general meeting of the Company to be held in 2023.

The Investment Management Agreement and the Supplemental Agreement are governed by English law.

- 9.3. The Company is a party to an Administration Agreement with the Administrator dated 14 July 2015 pursuant to which the Administrator provides day-to-day administration of the Company and acts as secretary and administrator to the Company including maintenance of accounts, preparing interim and annual accounts of the Company and calculating the net asset value of the Shares based on information provided to the Administrator by the Investment Manager.

The Administrator will be paid an annual fee equal to 0.075 per cent. of the Company's net assets, subject to a minimum fee of £95,000 per annum plus disbursements and an annual fee of 0.065 per cent. of the net asset value of the Company attributable to the new Ordinary Shares subject to a minimum of £15,000 per annum plus disbursements. In addition, the Company will also pay the

Administrator a fee of £5,000 per annum for AIFMD Annex IV reporting. The Company will reimburse the Administrator in respect of reasonable out of pocket expenses properly incurred in the performance of its duties.

The Administrator may delegate the whole or any part of its duties and responsibilities to an affiliate however such delegation does not affect the liability of the Administrator who shall remain at all times liable for the acts or omissions of its delegate as if such acts or omissions were its own.

The Administration Agreement, which is governed by the laws of Guernsey, may be terminated by either party serving on the other party 90 days' (3 months) written notice. The Administration Agreement may be terminated immediately: (i) in the event of the winding up of or the appointment of an administrator, examiner or receiver to the other or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction; (ii) if the other shall commit any breach of the provisions of this Agreement and shall if capable of remedy not have remedied the same within 30 days after the service of notice requiring it to be remedied; or (iii) if the continued performance of this Agreement for any reason ceases to be lawful.

The Administrator has the benefit of an indemnity from the Company under the terms of the Administration Agreement in relation to liabilities incurred in the discharge of its duties other than those arising by reason of fraud, wilful default or negligence on the part of the Administrator.

- 9.4. The Company is also a party to a Registrar Agreement with the Registrar dated 4 August 2015 pursuant to which the Registrar provides registration services to the Company. For the provision of the services under the Registrar Agreement, the Registrar is entitled to receive a minimum fee of £5,000 per annum.

The Registrar may assign or novate its rights and obligations to an affiliate provided that such assignment or novation would not cause the Company and/or any of the Shares to become subject to any (i) taxation and/or (ii) onerous filing, registration or reporting requirement which it would not otherwise have been subject. The Registrar may sub-contract the provision of the services to be provided under the Registrar Agreement to any third party. The Registrar Agreement, which is governed by the laws of England and Wales, and may be terminated by either party, either (a) by giving not less than 3 months' written notice to the other party (b) by a written notice if the other party commits any material breach of the provisions of the Registrar Agreement which, if capable of remedy, has not been remedied within 45 days of receiving notice from the other party requiring it to be remedied, or (c) by written notice if a resolution is passed or an order is made for the winding up, dissolution or administration of the other party (other than a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the other party), or if the other party is declared insolvent or if an administrator, administrative receiver, manager or provisional liquidator (or similar officer to any of the foregoing in the relevant jurisdiction) is appointed over the whole of or a substantial part of the other party or its assets or undertakings.

The Company may also terminate the Registrar Agreement by written notice if the Registrar ceases to be able to provide any of the services under the Registrar Agreement due to the withdrawal of any license, consent, permit or registration required for it to act as registrar of the Company.

The Company will indemnify, defend and hold harmless the Registrar, its affiliates and their respective directors, officers, employees and agents from and against all losses incurred by any of such persons resulting or arising from the Company's breach of the Registrar Agreement and any third-party claims relating to, arising from or in connection with the Registrar Agreement or the services contemplated by the Registrar Agreement. The indemnity provided by the Company does not extend to loss arising as a result of the fraud, gross negligence, or wilful default by the Registrar's indemnified party seeking to make use of such indemnity.

- 9.5. The Company is also a party to a Custodian Agreement with the Custodian dated 24 July 2015 pursuant to which the Custodian provides custody services to the Company.

The Custodian will be responsible for such of the assets of the Company as are deposited with it. Such assets will be held by the Custodian in a separate client account and will be separately designated in the books of the Custodian as belonging to the Company. Assets other than cash, which are so segregated, will be unavailable to the creditors of the Custodian in the event of its

bankruptcy or insolvency. The Custodian will not be responsible for assets deposited as margin with brokers. Assets deposited as margin need not be segregated and may become available to the creditors of brokers.

The Custodian may appoint sub-custodians to hold the assets of the Company. The Custodian will exercise care and diligence in the selection, appointment and monitoring of such sub-custodians and will be responsible to the Company, for the duration of any agreement with a sub-custodian for satisfying itself as to the ongoing suitability of the sub-custodian to provide custodial services to the Company. The Custodian is liable for the acts and omissions of any sub-custodian.

The Custodian has the benefit of an indemnity from the Company against liabilities arising in the absence of the Custodian's negligence, fraud or wilful default.

The fees payable to the Custodian by the Company will be equal to 0.03 per cent. of the Company's net assets, subject to a minimum fee of US\$75,000 per annum and are payable quarterly in arrears.

The Custodian Agreement, which is governed by the laws of Guernsey, may be terminated by either party serving on the other party 90 days' written notice. The Custodian Agreement may be terminated immediately: (i) in the event of the winding up of or the appointment of an administrator, examiner or receiver to the other or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction; (ii) if the other shall commit any breach of the provisions of this Agreement and shall if capable of remedy not have remedied the same within 30 days after the service of notice requiring it to be remedied; or (iii) if the continued performance of this Agreement for any reason ceases to be lawful.

- 9.6. The Company entered into a conditional acquisition agreement with SMMI and Signet Capital Management Limited ("**SCML**") dated 14 July 2015 (as amended by side letter dated 28 July 2015) under the terms of which it agreed to acquire the assets comprising of the initial portfolio from SMMI (including interests in funds, other instruments and securities and a minimum of US\$5.5 million of cash and cash equivalents), which were held in certain of its segregated portfolios (the "**SMMI Portfolio**"). The aggregate consideration for the acquisition of the SMMI Portfolio was US\$154.7 million, which was satisfied by way of the allotment of a number of Existing Shares equal to not less than the amount representing the consideration due to SMMI for the acquisition of the initial portfolio. Completion of this acquisition occurred immediately after the admission of the Existing Shares to trading on the Main Market.

10. Investment restrictions

In addition to the Company's investment policy which is set out in Part 1 of the Prospectus, in accordance with the requirements of the UK Listing Rules, the Company will also comply with the investment restrictions set out below and will continue to do so for so long as they remain requirements of the UK Listing Authority:

- neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of its group as a whole;
- the Company will avoid cross-financing between businesses forming part of its investment portfolio;
- the Company will avoid the operation of common treasury functions as between the Company and investee companies;
- not more than 10 per cent., in aggregate, of the value of the total assets of the Company will be invested in other listed closed-ended investment funds other than closed-ended investment funds which themselves have published investment policies to invest no more than 15 per cent. of their total assets in other listed closed-ended investment funds; and
- the Company must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with the published investment policy.

In the event of any material breach of the Company's investment policy or of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company and/or the Investment Manager (at the time of such breach) through an announcement via an RIS.

11. General

- 11.1. There are no governmental, legal or arbitration proceedings (including in so far as the Company is aware any governmental, legal or arbitration proceedings which are pending or threatened) for the period covering the previous 12 months which may have, or have had in the recent past a significant effect on the Company or the Company's financial position or profitability.
- 11.2. The Company does not have any subsidiaries or employees, nor does it own any premises.
- 11.3. The Sponsor has given and has not withdrawn its written consent to the issue of the Prospectus and the inclusion herein of its name and the references to it in the form and context in which they appear.
- 11.4. As at 9 October 2019 (being the latest practicable date prior to the date of the Prospectus), there have been no public takeover bids by third parties in respect of the Company's share capital since incorporation. As a company incorporated in Guernsey with shares admitted to trading on the London Stock Exchange, the Company will be subject to the provisions of the Takeover Code.
- 11.5. Certain information contained in the Prospectus has been sourced from third parties. Such information (which can be identified by the word "source" followed by the source) has been accurately reproduced and, as far as the Company is aware and 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. Mandatory bids, squeeze-out and sell-out rules

12.1. *Mandatory bids*

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. 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. However, under note 2 to Rule 37, 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 may take place, an obligation to make a mandatory bid under Rule 9 may arise in certain circumstances. The buy back by the Company of Shares could, therefore, have implications for Shareholders with significant shareholdings.

12.2. *Squeeze-out and sell-out rules*

Other than as provided by the Law there are no rules or provisions relating to squeeze-out and sell-out rules in relation to the Shares.

13. Disclosure requirements and notification of interest in Shares

Under Chapter 5 of the Disclosure Guidance and Transparency Rules, subject to certain limited exceptions, a person must notify the Company (and, at the same time, the FCA) of the percentage of voting rights he holds (within four trading days) if he acquires or disposes of shares in the Company to which voting rights are attached and if, as a result of the acquisition or disposal, the percentage of voting rights which he holds as a shareholder (or, in certain cases, which he holds indirectly) or through his direct or indirect holding of certain types of financial instruments (or a combination of such holdings):

- 13.1. reaches, exceeds or falls below five per cent. and each five per cent. threshold thereafter; or
- 13.2. reaches, exceeds or falls below an applicable threshold in paragraph 13.1 of this Part 8 as a result of events changing the breakdown of voting rights and on the basis of the total voting rights notified to the market by the Company.

Such notification must be made using the prescribed form TR-1 available from the FCA's website at <http://www.fca.gov.uk>. Under the Disclosure Guidance and Transparency Rules, the Company must announce the notification to the public as soon as possible and in any event by not later than the end of the third trading day following receipt of a notification in relation to voting rights.

The FCA may take enforcement action against a person holding voting rights who has not complied with Chapter 5 of the Disclosure Guidance and Transparency Rules.

14. Restrictions on transfer

14.1. General

The distribution of the Prospectus and offer of Ordinary Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession the Prospectus comes should inform themselves about and observe any such restrictions, including those in this paragraph 14 of this Part 8. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

14.2. European Economic Area

14.2.1. In relation to each of the EEA States (other than the UK) which has implemented the Prospectus Directive (each, a “relevant member state”), with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the “relevant implementation date”) no Ordinary Shares have been offered or will be offered pursuant to an offer to the public in that relevant member state, except that with effect from and including the relevant implementation date, offers of Ordinary Shares may be made to the public in that relevant member state at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43 million; and (iii) an annual net turnover of more than €50 million as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a relevant member state and each person who initially acquires any Ordinary Shares will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive.

14.2.2. For the purpose of the expression an “offer of any Ordinary Shares to the public” in relation to any Ordinary Shares in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the Issue, so as to enable a potential investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state.

15. Documents available for inspection

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and the Company’s registered office, at Praxis’ offices, Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR until close of business on 9 October 2020:

- (i) the Memorandum and New Articles; and
- (ii) the Prospectus.

16. Availability of the Prospectus

In addition, copies of the Prospectus are available free of charge from the registered office of the Company and the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW until close of business on 9 October 2020. Copies of the Prospectus are also available for access via the National Storage Mechanism at <http://www.morningstar.co.uk/nsm>.

PART 9

ADDITIONAL INFORMATION ON THE WARANA MASTER FUND

1. Details of the Warana SP Master Fund SPC

- 1.1 The Warana SP Master Fund SPC was incorporated on 27 June 2016 as a Cayman Islands exempted company and was re-registered as a Cayman Islands exempted segregated portfolio company on 19 August 2016 with registered number CB-312882. The Warana SP Master Fund SPC has an unlimited life and does not fall within the definition of the “mutual fund” pursuant to the terms of the MF Law.
- 1.2 The registered office of the Warana SP Master Fund SPC is at c/o Conyers Dill & Pearman Boundary Hall, 2nd Floor, Cricket Square, PO Box 2681, Grand Cayman KY1-111, Cayman Islands.
- 1.3 The principal legislation under which the Warana SP Master Fund SPC operates and under which the shares in the Warana SP Master Fund SPC have been created is Cayman Islands Law.
- 1.4 The directors of the Warana SP Master Fund SPC are Timothy Ivers and Grant Gillespie, its investment manager is Warana Capital (see paragraph 2.2 below for further details) and its auditor is Baker Tilly Virchow Krause, LLP of One Penn Plaza, Suite 3000, New York, NY 10119.

2. Details of the Warana Master Fund

- 2.1 The Warana Master Fund will be a segregated portfolio of the Warana SP Master Fund SPC. Under Cayman Islands Law the Warana Master Fund will have separate legal personality from the Warana SP Master Fund SPC. The Warana Master Fund will be incorporated and will operate under the Cayman Islands Law.
- 2.2 The investment manager of the Warana Master Fund is Warana Capital, LLC. It is a Delaware limited liability company, incorporated on 24 June 2016 with registration number 6080636. The Investment Manager operates under the laws of Delaware. Its registered office and principal place of business is Level 3, 154 Grand Street, New York, NY 10013 (tel: +1 (408) 834-2465). The Investment Manager is registered as an investment adviser under the United States Investment Advisers Act of 1940, as amended.
- 2.3 The Warana Master Fund will not appoint a custodian as it is not required by Cayman Islands law to do so.

3. Share capital of the Warana Master Fund

- 3.1 The authorised share capital of the Warana Master Fund will be similar to the authorised share capital of the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio and will be divided into voting non-redeemable non-participating management shares (the “**Master Management Shares**”) and non-voting redeemable participating shares (the “**Master Participating Shares**”).

4. Memorandum and Articles of Association of the Warana Master Fund

The Warana Master Fund will be established and maintained in accordance with the articles of association of the Warana SP Master Fund SPC and terms of its offering memorandum (similar to the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio) and a summary of such provisions are set out below.

4.1 Objects

The memorandum and articles of association do not limit its objects.

4.2 *Authorised capital and share rights*

The authorised share capital shall be as set out in the memorandum of association from time to time. The Warana Master Fund shall have power to purchase and/or redeem any or all shares and to increase or reduce its capital and to sub-divide or consolidate the said shares or any of them subject to the provisions of the Cayman Islands Law (as revised) and the Articles and to issue all or any part of its capital whether original, purchased, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be ordinary, preference or otherwise shall be subject to the powers as provided above.

A Master Management Share will be a voting, non-redeemable, non-participating management share designated as a "Management Share".

A Master Participating Share is a non-voting, redeemable, participating share designated as a "Participating Share".

4.3 *Issue of shares*

Subject to the provisions of the Warana Master Articles, the unissued shares of the Warana Master Fund shall be at the disposal of the Warana Master Directors and they may allot or otherwise dispose of them to such persons (including any director of the Warana Master Fund) on such terms and conditions, and at such times, as the Warana Master Directors may determine. The Company may issue fractions of a share and references in the Warana Master Articles to a "share" shall where the context so permits include fractions of a share and, save where the Warana Master Articles otherwise provide, a fraction of a share shall rank *pari passu* and shall have proportionately the same rights as a whole share of the same class.

4.4 *Dividends, distributions and reserve*

Dividends or distributions shall only be declared and/or paid in respect of the Master Participating Shares. Subject to any contrary statement in the Warana Master Fund PPM, no dividends or distributions shall be declared and/or paid in respect of the Master Management Shares.

Subject to the Cayman Islands Law and as provided in the Warana Master Articles, the Warana Master Directors shall have power to declare and pay dividends (including interim dividends) and distributions at such times and at such intervals as the Warana Master Directors may think fit and authorise payment of the same out of funds of the Warana Master Fund lawfully available therefore. Dividends may be paid in cash or *in specie*, subject to any contrary provisions in the Warana Master Fund PPM.

The Warana Master Directors may, before declaring any dividends or distributions, set aside such sums as they think proper as a reserve or reserves which shall, at the discretion of the Warana Master Directors, be applicable for any purpose of the Warana Master Fund and pending such application may, at the like discretion, be employed in the business of the Warana Master Fund or be invested in such investments (other than shares of the Warana Master Fund) as the Warana Master Directors may from time to time think fit. The Warana Master Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

No dividend or distribution shall be payable except out of the profits of the Warana Master Fund, realised or unrealised, or out of the share premium account or as otherwise permitted by the Cayman Islands Law.

Dividends or distributions to be declared on a Master Participating Class of Master Participating Shares shall be declared and paid *pro rata* to each member's respective holding of shares of such Master Participating Class as at the date of declaration of the dividend or distribution. All such dividend payments shall be debited against the relevant asset pool account and in no event shall the amounts, assets or the income derived from assets held in any asset pool account be used to pay a dividend on shares relating to any other asset pool account. The Warana Master Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Warana Master Fund.

4.5 *Voting*

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person or by proxy shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

4.6 *Capital*

Master Management Shares shall not confer on the holders thereof any right to receive dividends or to otherwise participate in the profits or assets of the Warana Master Fund except on the liquidation of the Warana Master Fund to have the par value of such shares returned after the par value of the Master Participating Shares has been returned to holders thereof.

Upon a winding-up of the Warana Master Fund, the holders of Master Participating Shares shall rank first in the repayment of the nominal or par value paid up thereon and, in addition, they shall have the right to share, *pro rata* to their respective holdings, and their respective Master Participating Class net asset value, in the Warana Master Fund's surplus assets available for distribution to members after repayment of the nominal or par value paid up on the Master Management Shares.

4.7 *Redemption offer*

Redemptions of Master Participating Shares at the option of members in the Warana Master Fund

Subject to the provisions of section 37 of the Cayman Islands Law and every statutory modification or re-enactment thereof for the time being in force, and the provisions of the Warana Master Articles, a member has no right to demand redemption of his holding of Master Participating Shares.

Redemptions of Master Participating Shares at the option of the Warana Master Fund

The Master Participating Shares are issued on the basis that they may be redeemed at any time by the Warana Master Fund at its option, subject to the provisions of the Cayman Islands Law at any time in the complete and unfettered discretion of the Warana Master Fund.

The holders of Master Participating Shares shall receive their redemption price in cash in the base currency or in kind by effecting the transfer of portfolio securities.

The redemption price shall be an amount equal to the Master Participating Class net asset value per share in respect of the shares being redeemed, determined at the relevant valuation time after deduction for the following:

- (a) the appropriate fees applicable to such shares;
- (b) reserves or provisions established pursuant to the Warana Master Articles;
- (c) any duties and charges in relation to the realisation of assets where in the opinion of the Warana Master Directors not to deduct the same would cause an inequity between members;
- (d) any withholding required by the laws of any relevant jurisdiction or any loss, costs or damages for withholding or tax deductions for the Warana Master Fund caused by the status of the member; and
- (e) such other fee(s) as prescribed in the Warana Master Fund PPM.

4.8 *Variation of rights*

The rights attached to any class of shares may, subject to the law of the Cayman Islands and unless otherwise provided by the terms of the issue of the shares of that class, be varied or abrogated by the Warana Master Fund by ordinary resolution, save where such variation is considered by the Warana Master Directors to have a material adverse effect upon such members' share rights then only with the consent in writing of the holders of not less than three-quarters of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class by three-quarters of the votes cast at that meeting. If the

Warana Master Fund provides reasonable notice to holders of the shares of the proposed variation or abrogation before a Redemption Date, then any member holding shares after the said Redemption Date is deemed to have irrevocably consented in writing to the proposed variation or abrogation and no meeting is required to be held.

4.9 *Transfer of shares*

Shares may be freely transferred by instrument of transfer in any usual or common form in the Cayman Islands, or in any other form approved by the Warana Master Directors, executed by the transferor, after first obtaining the prior written consent of the Warana Master Directors (provided that any share transfer must not relate only to any more than one Participating Class of Participating Shares). However, the Warana Master Directors may decline to consent to the transfer or register any transfer for any reason in their complete and unfettered discretion. If the Warana Master Directors refuse to register a transfer, they shall within two months after the date on which the transfer was lodged with the Warana Master Fund, send to the transferee notice of the refusal.

The Warana Master Directors may also, in their absolute discretion and without giving any reason therefor, decline to register any transfer to any person unless the instrument of transfer (and any existing share certificate) is deposited at the registered address together with such other evidence as the Warana Master Directors may reasonably require to show the right of the transferor to make the transfer. The instrument of transfer of any share (which need not be under seal) shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register in respect thereof.

The registration of transfers may be suspended at such times and for such periods (not exceeding thirty days in the aggregate in each year) as the Warana Master Directors may from time to time determine.

4.10 *General meetings*

Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum necessary shall be two unless the Warana Master Fund has only one member entitled to be present and to vote in which case it will be one, either present in person or by proxy.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Warana Master Directors may determine.

Chairman

The Chairman, if any, of the Board of Directors of the Warana Master Fund shall preside as Chairman at every extraordinary general meeting of the Warana Master Fund, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Warana Master Directors present shall elect one of their number to be Chairman of the meeting.

If at any meeting, no Warana Master Director is willing to act as Chairman or if no Warana Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.

Adjournment

The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save

as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Method of voting and demand for a poll

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded

- (a) by the Chairman; or
- (b) by any member or members present in person or by proxy and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting.

Members who are entitled to notice of and to vote at any extraordinary general meeting may participate in any extraordinary general meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or portion of the votes recorded in favour of or against such resolution. A demand for a poll may be withdrawn. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote.

A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner as the Chairman of the meeting directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

4.11 *Appointment, retirement and disqualification of Warana Master Directors*

The Warana Master Fund may, by ordinary resolution, appoint any person to be a Warana Master Director and may in like manner remove any Warana Director and may in like manner appoint another person in his stead.

The Warana Master Directors shall have power at any time, and from time to time, to appoint any qualified person to be a Warana Master Director either to fill a casual vacancy or as an addition to the existing Warana Master Directors but so that the total number of Warana Master Directors (exclusive of alternate Warana Master Directors) shall not at any time exceed the number fixed in accordance with these Articles of the Warana Master Fund.

The Warana Master Fund, by ordinary resolution, shall also be entitled to fix the maximum number of Warana Directors who may constitute the board of directors of the Warana Master Fund.

4.12 *Proceedings of the Warana Master Directors*

The Warana Master Directors may meet together (either within or outwith the Cayman Islands) for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A Warana Master Director may, and the secretary of the Warana Masters Fund of the Warana Master Fund on the requisition of a Warana Master Director shall, at any time summon a meeting of the Warana Master Directors.

The quorum necessary for the transaction of the business of the Warana Master Directors may be fixed by the Warana Master Directors, and unless so fixed shall be two, a Warana Master Director and his appointed alternate Warana Master Director being considered only one person for this purpose, PROVIDED ALWAYS that if there shall at any time be only a sole Warana Master Director the quorum shall be one. For the purposes of this provision, an alternate appointed by a Warana Master Director shall be counted in a quorum at a meeting at which the Warana Master Director appointing him is not present.

The Warana Master Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Warana Master Directors present may choose one of their number to be Chairman of the meeting.

The Warana Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of powers so delegated conform to any regulations that may be imposed on it by the Warana Master Directors.

All acts done by any meeting of the Warana Master Directors or of a committee of Warana Master Directors or by any person acting as a Warana Master Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Warana Master Director or person acting as aforesaid, or that they, or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Warana Master Director and had been entitled to be a Warana Master Director.

Members of the Board of Directors of the Warana Master Fund or of any committee thereof may participate in a meeting of the Board of the Warana Master Fund or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A resolution in writing, signed by all the Warana Master Directors for the time being entitled to receive notice of a meeting of the Warana Master Directors including an alternate Warana Master Director (who shall be entitled to sign such in place of the appointor) or all the members of any committee of the Warana Master Fund, shall be as valid and effectual as if it had been passed at a meeting of the Warana Master Directors duly convened and held and any such resolution may consist of one or more instruments each signed by one or more of the Warana Master Directors or members of any committee.

4.13 *Remuneration of Warana Master Directors*

The remuneration to be paid to the Warana Master Directors shall be such remuneration as the Board of the Warana Master Fund, in consultation with the holders of shares which carry the right to vote at extraordinary general meetings of the Warana Master Fund, shall determine. Such remuneration shall be deemed to accrue from day to day.

A managing director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Warana Master Directors may determine.

The Warana Master Directors may by resolution award special remuneration to any Warana Master Director undertaking any special work or services other than their ordinary routine work as Warana Master Directors.

4.14 *Winding up*

The Warana Master Fund's business shall continue for so long as the Warana Master Fund holds assets and investments irrespective of whether the Warana Master Directors have determined that the Warana Master Fund shall not acquire any further assets or investments. If the Warana Master Directors determine that the business of the Warana Master Fund shall be terminated and that the assets and investments of the Warana Master Fund shall be realised in anticipation of such termination, the business of the Warana Master Fund shall continue and shall be regarded as continuing as a going concern, until the process of realisation of the assets and investments of the Warana Master Fund is complete.

If the Warana Master Fund shall be wound-up, the liquidator shall apply the segregated portfolio assets and the general assets in accordance with the Cayman Law in satisfaction of creditors' claims.

The holders of Participating Shares shall rank first in the repayment of the nominal or par value paid up thereon and, in addition, they shall have the right to share in the Warana Master Fund's

surplus segregated portfolio assets available for distribution to members. The holders of the Participating Shares shall share such surplus assets between them in the proportion that the net asset value of the Participating Shares bears to the aggregate of the net asset value relating to the applicable segregated portfolio. If there are no Participating Shares at the date of distribution, the holders of the Management Shares shall be entitled to receive such distribution.

Final determination by the liquidator of the amount payable by the Warana Master Fund to a member upon winding up will be final, conclusive and binding on all parties, absent manifest error. Any amounts payable to a member will, if not accepted within three months of notification, be forfeited by such member in favour of the Warana Master Fund absolutely.

4.15 *Borrowing powers*

The Warana Master Directors may exercise all the powers of the Warana Master Fund to borrow money, and to mortgage or charge its undertaking, property and assets, and to issue debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Warana Master Fund or any other party.

5. **Warana Master Directors and their interests**

5.1 No service contracts are proposed between the Warana Master Fund and any of the Warana Master Directors.

5.2 No loans have been made or guarantees will be provided by the Warana Master Fund to or for the benefit of any Warana Master Director.

5.3 The Warana Master Directors do not have any options over the Warana Master Fund Shares. The Warana Master Directors do not have any interest in the share capital of the Warana Master Fund at the date of the Prospectus.

5.4 Details of those companies (other than the Warana SP Master Fund SPC, the Warana Master Fund and subsidiaries of the companies disclosed below) and partnerships of which the Warana Master Directors have been a member of the administrative, management or supervisory body or a partner at any time during the past five years immediately preceding the date of the Prospectus are as follows:

<i>Name</i>	<i>Current directorships</i>	<i>Previous directorships</i>
Mr Timothy Ivers	Axle Capital Pty Limited Axle Holdco Pty Ltd Dakota Capital International Pty Limited DBP Capital Pty Ltd Warana Capital, LLC Warana Capital Partners, LLC Warana Capital Pty Limited	Boju Pty Ltd Dakota Capital Holdings Pty Ltd Dakota Capital Pty Limited Molleen Pty Ltd Molleen II Pty Ltd Staneric Investments Pty Limited
Mr Grant Gillespie	Warana Capital, LLC Warana Capital Partners, LLC	Nil

5.5 Further details of each of the Warana Master Directors' relevant experience can be found on pages 45 and 46 in Part 2 of the Prospectus.

5.6 As at the date of this Prospectus:

5.6.1 none of the Warana Master Directors has any convictions in relation to fraudulent offences for at least the previous five years;

5.6.2 none of the Warana Master Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings; and

- 5.6.3 none of the Warana Master Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

6. Corporate Governance

Given that the Warana Master Fund does not fall within the definition of a “Mutual Fund” pursuant to the terms of the Mutual Funds Law (as revised) of the Cayman Islands, there is no formal corporate governance regime in the Cayman Islands that will apply to it.

7. Conflicts of interests

The Investment Manager and its officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest as between its duty to the Warana Master Fund and duties owed by it to third parties and their other interests. The Investment Manager will have regard to its obligations under the investment management agreement or otherwise to act in the best interests of the Warana Master Fund, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

8. Annual expenses

A quarterly management fee will be borne by each investor in the Warana Master Fund based on the aggregate amount of capital contributions made by each investor into the Warana Offshore Fund. This fee will be payable by the Warana Master Fund to the Investment Manager each quarter in advance. So long as the Investment Manager is both the manager of the Warana Master Fund and the Company, the Investment Manager will rebate its management fees in relation to the Company’s investment in the Warana Offshore Fund and the Warana Master Fund back to the Company.

No performance fee in relation to the Company’s investment in the Warana Master Fund through the Warana Offshore Fund will be payable at the Company level. However, a performance fee will be provided for at the level of the Warana Master Fund and will be payable in circumstances where the Warana Master Fund makes a distribution to investors (which is at the discretion of the Investment Manager) provided certain hurdles (non-cumulative) have been achieved in respect of the investors’ capital contributions.

The principal annual expenses of the Warana Master Fund will be the fees payable to the Investment Manager and the Administrator. The Warana Master Fund will also incur regulatory fees, insurance costs, professional fees, audit fees and other expenses. It is estimated that the total, average, annual material expenses of the Warana Master Fund will be approximately US\$200,000.

9. Selected financial information

As at the date of the Prospectus, no financial statements have been prepared for the Warana Master Fund. The Warana Master Fund has not commenced operations and it has not made any investments.

10. Typical investor

The profile of a typical investor in the Warana Master Fund is an institution or discretionary investment manager who is seeking total returns through the management and realisation of a portfolio of illiquid assets and who understands and accepts the risks inherent in the Warana Master Fund’s investment policy.

PART 10

ADDITIONAL INFORMATION ON THE WARANA OFFSHORE FUND

1. Details of the Warana SP Offshore Fund SPC

- 1.1 Warana SP Offshore Fund SPC was incorporated with limited liability in the Cayman Islands on 17 November 2016 as a Cayman Islands exempted segregated portfolio company under the provisions of the Companies Law (2007 Revision) with registered number CB-317272.

The Warana SP Offshore Fund SPC does not fall within the definition of a “mutual fund” pursuant to the terms of the MF Law.

- 1.2 The registered office of the Warana SP Offshore Fund SPC is at c/o Conyers Dill & Pearman Boundary Hall, 2nd Floor, Cricket Square, PO Box 2681, Grand Cayman KY1-111, Cayman Islands.
- 1.3 The principal legislation under which the Warana SP Offshore Fund SPC operates and under which the shares in the Warana SP Offshore Fund SPC have been created is Cayman Islands Law.
- 1.4 The directors of the Warana SP Offshore Fund SPC are Timothy Ivers and Grant Gillespie, its investment manager is Warana Capital and its auditor is Baker Tilly Virchow Krause, LLP of One Penn Plaza, Suite 3000, New York, NY 10119.

2. Details of the Warana Offshore Fund

- 2.1 The Warana Offshore Fund will be a segregated portfolio of the Warana SP Offshore Fund SPC. Under Cayman Islands Law the Warana Offshore Fund it will have separate legal personality from the Warana SP Offshore Fund SPC. The Warana Offshore Fund will operate under the Cayman Islands Law.
- 2.2 The investment manager of the Warana Offshore Fund will be Warana Capital, LLC. It is a Delaware limited liability company, incorporated on 24 June 2016 with registration number 6080636. The Investment Manager operates under the laws of Delaware. Its registered office and principal place of business is Level 3, 154 Grand Street, New York, NY 100113 (tel: +1 (408) 834-2465). The Investment Manager is registered as an investment adviser under the United States Investment Advisers Act of 1940, as amended.
- 2.3 The Warana Offshore Fund does not expect to appoint a custodian as it is not required by Cayman Islands law to do so.

3. Share capital of the Warana Offshore Fund

- 3.1 The authorised share capital of the Warana Offshore Fund will be divided into voting non-redeemable non-participating management shares (the “**Offshore Management Shares**”) and non-voting redeemable participating shares of (the “**Offshore Participating Shares**”).

4. Investment policy

The Warana Offshore Fund will be organised as a feeder fund in a “master-feeder” structure, and the Warana Offshore Fund anticipates that it will invest substantially all of its assets in shares of the Warana Master Fund.

On certain, limited occasions, the Warana Offshore Fund may make certain investments such as cash, withholding tax assets and foreign exchange hedging assets and liabilities directly rather than through the Warana Master Fund due to certain portfolio management, tax, regulatory, legal or other considerations.

5. Borrowing limits

Under the Warana Offshore Articles, the Warana Offshore Directors will be able to exercise all the powers of the Warana Offshore Fund to borrow money, and to mortgage or charge its undertaking, property and

assets, and to issue debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Warana Offshore Fund or any other party.

The Warana Offshore Fund does not generally intend to use leverage. The Warana Offshore Fund will have the ability to borrow up to a total of 25 per cent. of its net assets for short term purposes. As a Cayman Islands exempted segregated portfolio company, outside of any change to Cayman Island Law, investors in the Warana Offshore Fund will not be exposed to any borrowing undertaken on behalf of the Warana SP Offshore Fund SPC or any existing or future segregated portfolio established by the Warana SP Offshore Fund SPC.

6. Distribution proceeds

It is expected that investment proceeds, net of reserves and amounts necessary to pay other expenses and liabilities will be deemed to be distribution proceeds and distributed at such times as may be determined by the board of directors of the Warana SP Master Fund SPC which has oversight over each of the segregated portfolios, in its sole discretion.

7. Memorandum and Articles of Association of the Warana Offshore Fund (“Warana Offshore Articles”)

The Warana Offshore Fund will be established and maintained in accordance with the articles of association of the Warana SP Offshore Fund SPC and the terms of the relevant offering memorandum (similar to the 2017 Segregated Portfolio, the 2018 Segregated Portfolio and the 2019 Segregated Portfolio) and a summary of such provisions are set out below.

7.1 Objects

The memorandum and articles of association of the Warana Offshore Fund will not limit its objects.

7.2 Share rights

Subject to the Warana Offshore Fund’s Articles and the terms and rights attaching to shares already in issue, shares may be issued with or have attached such rights and restrictions as the Warana Offshore Directors may from time to time determine in accordance with the Companies Law.

Participating Shares are non-voting, participating shares in the capital of the Warana Offshore Fund designated as Participating Shares and any other shares designated as Participating Shares.

7.3 Issue of shares

Subject to the provisions of the Warana Offshore Articles, the unissued shares of the Warana Offshore Fund shall be at the disposal of the Warana Offshore Directors and they may allot or otherwise dispose of them to such persons (including any director of the Warana Offshore Fund) on such terms and conditions, and at such times, as the Warana Offshore Directors may determine. The Company may issue fractions of a share and references in the Warana Offshore Articles to a “share” shall where the context so permits include fractions of a share and, save where the Warana Offshore Articles otherwise provide, a fraction of a share shall rank *pari passu* and shall have proportionately the same rights as a whole share of the same class.

7.4 Dividends, distributions and reserve

Dividends or distributions shall only be declared and/or paid in respect of the Offshore Participating Shares.

Subject to Cayman Islands Law and as provided in the Warana Offshore Fund’s Articles, the Warana Offshore Directors shall have power to declare and pay dividends (including interim dividends) and distributions at such times and at such intervals as the Warana Offshore Directors may think fit and authorise payment of the same out of funds of the Warana Offshore Fund lawfully available therefore. Dividends may be paid in cash or *in specie*, subject to any contrary provisions in the Warana Master Fund PPM.

The Warana Offshore Directors may, before declaring any dividends or distributions, set aside such sums as they think proper as a reserve or reserves which shall, at the discretion of the Warana Offshore Directors, be applicable for any purpose of the Warana Offshore Fund and pending such application may, at the like discretion, be employed in the business of the Warana Offshore Fund or be invested in such investments (other than shares of the Warana Offshore Fund) as the Warana Offshore Directors may from time to time think fit. The Warana Offshore Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

No dividend or distribution shall be payable except out of the profits of the Warana Offshore Fund, realised or unrealised, or out of the share premium account or as otherwise permitted by Cayman Islands Law.

7.5 *Voting*

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person or by proxy shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

7.6 *Authorised capital*

The authorised share capital of the Warana Offshore Fund shall be as set out in the Memorandum of Association of the Warana Offshore Fund from time to time. The Warana Offshore Fund shall have power to purchase and/or redeem any or all of such shares and to increase or reduce the said capital of the Warana Offshore Fund and to sub-divide or consolidate the said shares or any of them subject to the provisions of the Cayman Islands Law (as revised) and the Warana Offshore Articles and to issue all or any part of its capital whether original, purchased, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Warana Offshore Fund hereinbefore provided.

7.7 *Redemptions*

Redemptions of Participating Shares at the option of the members in the Warana Offshore Fund

Subject to the provisions of section 37 of the Cayman Law and every statutory modification or re-enactment thereof for the time being in force, and the provisions of the Warana Offshore Articles, a member has no right to demand redemption of his holding of Participating Shares.

Redemptions of Participating Shares at the Option of the Warana Offshore Fund

The Participating Shares are issued on the basis that they may be redeemed at any time by the Warana Offshore Fund at its option, subject to the provisions of the Cayman Islands Law and every statutory modification or re-enactment thereof for the time being in force, at any time in the complete and unfettered discretion of the Warana Offshore Fund.

The Warana Offshore Fund shall give notice of its intention to redeem Participating Shares pursuant to this provision by sending to the holder of the Participating Shares to be redeemed a notice in writing specifying the number of shares to be redeemed. Notice of any redemption of Participating Shares given pursuant to this provision shall be given to the registered holder of such shares shown in the register and the redemption of such Participating Shares shall be deemed complete and effective in all respects as at the relevant redemption date specified in the notice.

The holders of Participating Shares shall receive their relevant redemption price in cash or in kind by effecting the transfer of portfolio securities.

The relevant redemption price shall be an amount equal to the participating class' net asset value per share in respect of the shares being redeemed, determined at the relevant valuation time after deduction for the following:

- (a) the appropriate fees applicable to such shares;
- (b) reserves or provisions established hereunder;

- (c) any duties and charges in relation to the realisation of assets where in the opinion of the Warana Offshore Directors not to deduct the same would cause an inequity between members;
- (d) any withholding required by the laws of any relevant jurisdiction or any loss, costs or damages for withholding or tax deductions for the Warana Offshore Fund caused by the status of the member; and

such other fee(s) as prescribed in the Warana Master Fund's PPM.

7.8 *Variation of rights*

The rights attached to any class of shares may, subject to the Cayman Islands Law and unless otherwise provided by the terms of the issue of the shares of that class, be varied or abrogated by the Warana Offshore Fund by ordinary resolution, save where such variation is considered by the Warana Offshore Directors to have a material adverse effect upon such Warana Offshore Fund's members' share rights then only with the consent in writing of the holders of not less than three-quarters of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class by three-quarters of the votes cast at that meeting. If the Warana Offshore Fund provides reasonable notice to holders of the shares of the proposed variation or abrogation before a redemption date, then any member holding shares after the said redemption date is deemed to have irrevocably consented in writing to the proposed variation or abrogation and no meeting is required to be held.

7.9 *Transfer of shares*

Shares may be freely transferred by instrument of transfer in any usual or common form in the Cayman Islands, or in any other form approved by the Warana Offshore Directors, executed by the transferor, after first obtaining the prior written consent of the Warana Offshore Directors (provided that any share transfer must not relate to any more than one class of Participating Shares). However, the Warana Offshore Directors may decline to consent to the transfer or register any transfer for any reason in their complete and unfettered discretion. If the Warana Offshore Directors refuse to register a transfer, they shall within two months after the date on which the transfer was lodged with the Warana Offshore Fund, send to the transferee notice of the refusal.

The Warana Offshore Directors may also, in their absolute discretion and without giving any reason therefor, decline to register any transfer to any person unless the instrument of transfer (and any existing share certificate) is deposited at the registered address together with such other evidence as the Warana Offshore Directors may reasonably require to show the right of the transferor to make the transfer. The instrument of transfer of any share (which need not be under seal) shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register in respect thereof.

The registration of transfers may be suspended at such times and for such periods (not exceeding thirty days in the aggregate in each year) as the Warana Offshore Directors may from time to time determine.

7.10 *General meetings*

Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum necessary shall be two unless the Warana Offshore Fund has only one member entitled to be present and to vote in which case it will be one, either present in person or by proxy.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Warana Offshore Directors may determine.

Chairman

The Chairman, if any, of the board of directors of the Warana Offshore Fund shall preside as Chairman at every extraordinary general meeting of the Warana Offshore Fund, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Warana Offshore Directors present shall elect one of their number to be Chairman of the meeting.

If at any meeting, no Warana Offshore Director is willing to act as Chairman or if no Warana Offshore Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.

Adjournment

The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Method of voting and demand for a poll

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded

- (i) by the Chairman; or
- (ii) by any member or members present in person or by proxy and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting.

Members who are entitled to notice of and to vote at any extraordinary general meeting may participate in any extraordinary general meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Warana Offshore Fund shall be conclusive evidence of the fact without proof of the number or portion of the votes recorded in favour of or against such resolution. A demand for a poll may be withdrawn. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote.

A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner as the Chairman of the meeting directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

7.11 *Appointment, removal and disqualification of directors*

The Warana Offshore Fund may, by ordinary resolution, appoint any person to be a Warana Offshore Director and may in like manner remove any Warana Offshore Director and may in like manner appoint another person in his stead.

The Warana Offshore Directors shall have power at any time, and from time to time, to appoint any qualified person to be a director of the Warana Offshore Fund either to fill a casual vacancy or as an addition to the existing directors of the Warana Offshore Fund but so that the total number of directors of the Warana Offshore Fund (exclusive of alternate directors of the Warana Offshore Fund) shall not at any time exceed the number fixed in accordance with the Warana Offshore Articles.

The Warana Offshore Fund, by ordinary resolution, shall also be entitled to fix the maximum number of directors of the Warana Offshore Fund who may constitute the board of directors of the Warana Offshore Fund.

7.12 Proceedings of the Warana Offshore Directors

The Warana Offshore Directors may meet together (either within or outwith the Cayman Islands) for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A Warana Offshore Director may, and the secretary of the Warana Offshore Fund on the requisition of a Warana Offshore Director shall, at any time summon a meeting of the Warana Offshore Directors.

The quorum necessary for the transaction of the business of the Warana Offshore Directors may be fixed by the Warana Offshore Directors, and unless so fixed shall be two, a Warana Offshore Director and his appointed alternate Warana Offshore Director being considered only one person for this purpose, PROVIDED ALWAYS that if there shall at any time be only a sole Warana Offshore Director the quorum shall be one. For the purposes of this provision, an alternate appointed by a Warana Offshore Director shall be counted in a quorum at a meeting at which the Warana Offshore Director appointing him is not present.

The Warana Offshore Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Warana Offshore Directors present may choose one of their number to be Chairman of the meeting.

The Warana Offshore Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of powers so delegated conform to any regulations that may be imposed on it by the Warana Offshore Directors

All acts done by any meeting of the Warana Offshore Directors or of a committee of Warana Offshore Directors or by any person acting as a Warana Offshore Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Warana Offshore Director or person acting as aforesaid, or that they, or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Warana Offshore Director and had been entitled to be a Warana Offshore Director.

Members of the board of directors of the Warana Offshore Fund or of any committee thereof may participate in a meeting of the board of directors of the Warana Offshore Fund or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A resolution in writing, signed by all the Warana Offshore Directors for the time being entitled to receive notice of a meeting of the Warana Offshore Directors including an alternate Warana Offshore Director (who shall be entitled to sign such in place of the appointor) or all the members of any committee of the Warana Offshore Fund, shall be as valid and effectual as if it had been passed at a meeting of the Warana Offshore Directors duly convened and held and any such resolution may consist of one or more instruments each signed by one or more of the Warana Offshore Directors or members of any committee.

7.13 Remuneration of Warana Offshore Directors

The remuneration to be paid to the Warana Offshore Directors shall be such remuneration as the board of directors of the Warana Offshore Fund, in consultation with the holders of shares which carry the right to vote at extraordinary general meetings of the Warana Offshore Fund, shall determine. Such remuneration shall be deemed to accrue from day to day.

A managing director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Warana Offshore Directors may determine.

The Warana Offshore Directors may by resolution award special remuneration to any Warana Offshore Director undertaking any special work or services other than their ordinary routine work as Warana Offshore Directors.

7.14 *Winding up*

The Warana Offshore Fund's business shall continue for so long as the Warana Offshore Fund holds assets and investments irrespective of whether the Warana Offshore Directors have determined that the Warana Offshore Fund shall not acquire any further assets or investments. If the Warana Offshore Directors determine that the business of the Warana Offshore Fund shall be terminated and that the assets and investments of the Warana Offshore Fund shall be realised in anticipation of such termination, the business of the Warana Offshore Fund shall continue and shall be regarded as continuing as a going concern, until the process of realisation of the assets and investments of the Warana Offshore Fund is complete.

If the Warana Offshore Fund shall be wound-up, the liquidator shall apply the segregated portfolio assets and the general assets in accordance with the Cayman Law in satisfaction of creditors' claims.

The holders of Participating Shares shall rank first in the repayment of the nominal or par value paid up thereon and, in addition, they shall have the right to share in the Warana Offshore Fund's surplus segregated portfolio assets available for distribution to members. The holders of the Participating Shares shall share such surplus assets between them in the proportion that the Participating Shares net asset value bears to the aggregate of the net asset value relating to the applicable segregated portfolio. If there are no Participating Shares at the date of distribution, the holders of the Management Shares shall be entitled to receive such distribution.

Final determination by the liquidator of the amount payable by the Warana Offshore Fund to a member upon winding up will be final, conclusive and binding on all parties, absent manifest error. Any amounts payable to a member will, if not accepted within three months of notification, be forfeited by such member in favour of the Warana Offshore Fund absolutely.

7.15 *Borrowing powers*

The Warana Offshore Directors may exercise all the powers of the Warana Offshore Fund to borrow money, and to mortgage or charge its undertaking, property and assets, and to issue debentures and other securities, whether as primary or collateral security for any debt, liability or obligation of the Warana Offshore Fund or any other party.

8. Warana Offshore Directors and their interests

- 8.1 No service contracts are proposed to be entered into between the Warana Offshore Fund and any of the Warana Offshore Directors.
- 8.3 The Warana Offshore Directors will not have any options over the Warana SP Offshore Fund. The Warana Directors do not have any interest in the share capital of the Warana Offshore Fund at the date of the Prospectus.
- 8.4 Details of those companies (other than the Warana SP Offshore Fund SPC, the Warana Offshore Fund and subsidiaries of the companies disclosed below) and partnerships of which the Warana Offshore Directors have been a member of the administrative, management or supervisory body or a partner at any time during the past five years immediately preceding the date of the Prospectus are as follows:

<i>Name</i>	<i>Current directorships</i>	<i>Previous directorships</i>
Mr Timothy Ivers	Axle Capital Pty Limited Axle Holdco Pty Ltd Dakota Capital International Pty Limited DBP Capital Pty Ltd Warana Capital, LLC Warana Capital Partners, LLC Warana Capital Pty Limited	Boju Pty Ltd Dakota Capital Holdings Pty Ltd Dakota Capital Pty Limited Molleen Pty Ltd Molleen II Pty Ltd Staneric Investments Pty Limited

<i>Name</i>	<i>Current directorships</i>	<i>Previous directorships</i>
Mr Grant Gillespie	Warana Capital, LLC Warana Capital Partners, LLC	Nil

8.5 Further details of each of the Warana Offshore Directors' relevant experience can be found on pages 45 and 46 in Part 2 of the Prospectus.

8.6 As at the date of this Prospectus:

8.6.1 none of the Warana Offshore Directors has any convictions in relation to fraudulent offences for at least the previous five years;

8.6.2 none of the Warana Offshore Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings; and

8.6.3 none of the Warana Offshore Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

9. Corporate Governance

Given that the Warana Offshore Fund does not fall within the definition of a "Mutual Fund" pursuant to the terms of the Mutual Funds Law (as revised) of the Cayman Islands, there is no formal corporate governance regime in the Cayman Islands that will apply to it.

10. Conflicts of interests

The Investment Manager and its officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest as between its duty to the Warana Offshore Fund and duties owed by them to third parties and their other interests. The Investment Manager will have regard to its obligations under the investment management agreement or otherwise to act in the best interests of the Warana Offshore Fund, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise.

11. Annual expenses

The principal annual expenses of the Warana Offshore Fund are the fees payable to the Investment Manager and the Administrator. The Warana Offshore Fund will also incur regulatory fees, insurance costs, professional fees, audit fees and other expenses. It is estimated that the total average, annual material expenses of the Warana Offshore Fund will be approximately US\$200,000.

12. Selected Financial Information

As at the date of the Prospectus, no financial statements have been prepared for the Warana Offshore Fund. The Warana Offshore Fund has not commenced operations and it has not made any investments.

13. Typical investor

The profile of a typical investor in the Warana Offshore Fund is an institution or discretionary investment manager who is seeking total returns through the management and realisation of a portfolio of illiquid assets and who understands and accepts the risks inherent in the Warana Offshore Fund.

PART 11

TERMS AND CONDITIONS OF ANY PLACING

1. INTRODUCTION

- 1.1 Each person who is invited to and who chooses to participate in the a Placing under the Placing Programme (including individuals, funds or others) (a “**Placee**”) confirms its agreement (whether orally or in writing) to the Company to subscribe for Ordinary Shares under the relevant Placing and that it will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 The Company and/or the AIFM or the Sponsor may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a “**Placing Letter**”). The terms of this Part 11 will, where applicable, be deemed to be incorporated into any such Placing Letters.

2. AGREEMENT TO SUBSCRIBE FOR ORDINARY SHARES

- 2.1 Conditional on admission occurring and becoming effective by 8:00 a.m. (London time) on such dates as may be agreed between the Company, the Investment Manager and the Sponsor prior to the closing of each Placing, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by the Company, at the applicable Placing Programme Price. 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 ORDINARY SHARES

- 3.1 Each Placee must pay the applicable price for the Ordinary Shares issued to the Placee in the manner and by the time directed by the Company and the Investment Manager. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee’s application for Ordinary Shares may, at the discretion of the Company and the Investment Manager, either be rejected or accepted and in the latter case section 3.2 of these terms and conditions shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the applicable Placing Programme Price for the Ordinary Shares allocated to it in accordance with section 3.2 of these terms and conditions and the Company and the Investment Manager elects to accept that Placee’s application, the Company and the Investment Manager or, as applicable, any nominee of the Investment Manager, shall be deemed to have been irrevocably and unconditionally appointed by the Placee as its agent to use reasonable endeavours to sell all or any of the Ordinary Shares allocated to the Placee on such Placee’s behalf and retain from the proceeds, for the Investment Manager’s own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and the Placee will be deemed to have agreed to indemnify the Investment Manager 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.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for Ordinary Shares under Placing Programme, each Placee which enters into a commitment to subscribe for such Ordinary Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company and the Investment Manager (and, in respect of any data protections warranties, to the Administrator and the Registrar) that:

- (a) in agreeing to subscribe for (i) the Ordinary Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus published by the Company prior to Admission and (in the case of any Subsequent Placing) this Prospectus and any supplementary prospectus published prior to the relevant subsequent Admission, and not on any other information given, or

representation or statement made at any time, by any person concerning the Company, any Placings. It agrees that none of the Company or the Investment Manager 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 Placing Programme, 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 Investment Manager or the Registrar 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 the United Kingdom in connection with the Placing Programme;
- (c) it has carefully read and understands this Prospectus in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 11, the Articles as in force at the date of the relevant Admission and, as applicable, in the contract note or placing confirmation, as applicable, referred to in section 4 of this Part 11 (for the purposes of this Part 11, the “**Contract Note**” or the “**Placing Confirmation**”) and the Placing Letter (if any);
- (f) it acknowledges that no person is authorised in connection with the 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 Admission, and, if given or made, any information or representation must not be relied upon as having been authorised by the Company the Investment Manager or the Sponsor;
- (g) 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);
- (h) the price per Ordinary Share to be issued in connection with the Placings under the Placing Programme will be fixed at the relevant time, and in each case is payable to the Registrar on behalf of the Company in accordance with the terms of this Part 11 and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any);
- (i) it has the funds available to pay in full for the Ordinary Shares for which it has agreed to subscribe pursuant to its commitment under the relevant Placing under the Placing Programme and that it will pay the total subscription in accordance with the terms set out in this Part 11 and, as applicable, as set out in the Contract Note or Placing Confirmation and the Placing Letter (if any) on the due time and date;
- (j) its commitment to acquire Shares under the Placing will be agreed orally with the Investment Manager as agent for the Company and that a Contract Note or Placing Confirmation will be issued by the Investment Manager or the Registrar as soon as possible thereafter. That oral agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and the Investment to subscribe for the number of Shares allocated to it and comprising its commitment under the relevant Placing at the relevant Placing Programme Price on the terms and conditions set out in this Part 11 and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of the relevant Admission. Except with the consent of the Investment Manager such oral commitment will not be capable of variation or revocation after the time at which it is made;
- (k) its allocation of Shares under the relevant Placing will be evidenced by Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay the Registrar, as agent for the Company. The terms of this Part 11 will be deemed to be incorporated into that Contract Note or Placing Confirmation;

- (l) settlement of transactions in the Ordinary Shares following the relevant Admission will take place in CREST but the Registrar reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- (m) it makes the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus and the Placing Letter (if any), including (unless otherwise expressly agreed with the Company) those set out in the section entitled "Overseas Persons and Restricted Territories" in Part 5 (The Placing Programme) of this Prospectus;
- (n) it: (i) is entitled to subscribe for the Ordinary Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Ordinary Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- (o) if it is within the United Kingdom, it is: (i) a person who falls within Articles 49(2)(a) to (d), 19(1) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Ordinary Shares may otherwise lawfully be offered under such Order 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, it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations; or (ii) 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;
- (p) if it is a resident in the EEA (other than the United Kingdom), (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(i), (ii) or (iii) of Directive 2003/71/EC and (b) that it is a person to whom the Ordinary Shares may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation or regulations (if any) of that relevant Member State;
- (q) in the case of any Shares acquired by a Placee as a financial intermediary within the EEA (other than in the United Kingdom) as that term is used in article 3(2) of the Prospectus Directive (i) the Ordinary Shares acquired by it in the relevant 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 Directive 2010/73/EU, or in circumstances in which the prior consent of the Company and the Investment Manager has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- (r) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the relevant Placing or the Ordinary Shares (for the purposes of this Part 11, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the relevant 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 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;
- (s) 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 and it is not acting on a non-discretionary basis for any such person;
- (t) if it is a natural person, such person is not under the age of majority (18 years of age in the United Kingdom) on the date of its agreement to subscribe for Ordinary Shares under any Placing and will not be any such person on the date of acceptance of any such agreement to subscribe for Ordinary Shares under any Placing;

- (u) (i) it has communicated or caused to be communicated and will communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Ordinary Shares only in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
- (v) it is aware of and acknowledges that it is required to comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the relevant Placing in, from or otherwise involving, the United Kingdom;
- (w) it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, MAR and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;
- (x) no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Ordinary Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- (y) it acknowledges that the Ordinary Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Ordinary Shares under the securities laws of any Restricted Territory and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, into or within any Restricted Territory or in any country or jurisdiction where any action for that purpose is required;
- (z) if it is a pension fund or investment company, its acquisition of the Ordinary Shares is in full compliance with applicable laws and regulations;
- (aa) it acknowledges that where it is subscribing for Ordinary 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 for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the relevant Placing in the form provided by the Company and/or the Investment Manager. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;
- (bb) it irrevocably appoints any director of the Company and any director or duly authorised employee or agent of the Registrar or the Investment Manager 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 for which it has given a commitment under the relevant Placing, in the event of its own failure to do so;
- (cc) it accepts that if the Placing Programme does not proceed or the Ordinary Shares for which valid applications are received and accepted are not admitted to the premium listing category of the Official List and/or admitted to trading on the premium segment of the Main Market for any reason whatsoever then none of the Company, the Investment Manager or the Sponsor or any of their respective affiliates, 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;
- (dd) in connection with its participation in the relevant Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering regulations 2017 (for the purposes of this Part 11, together the **"Money Laundering Rules"**) 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 Rules in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the **"Money Laundering**

Directive”), together with any regulations and guidance notes issued pursuant thereto; or (iii) 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 Directive;

- (ee) it acknowledges that due to anti-money laundering requirements, the Registrar and the Company may require proof of identity and verification of the source of the payment before the application for Ordinary Shares under the relevant Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, the Registrar and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify the Registrar 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;
- (ff) it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Money Laundering Rules;
- (gg) it acknowledges and agrees that information provided by it to the Company or the Registrar will be stored on the Registrar’s computer system and manually. It acknowledges and agrees that for the purposes of the DP Act and other relevant data protection legislation which may be applicable, the Registrar is required to specify the purposes for which it will hold personal data. The Registrar will only use such information for the purposes set out below (collectively, the **“Purposes”**), being to:
 - (i) process its personal data (including sensitive personal data) as required by or in connection with its holding of Shares, including processing personal data in connection with credit and money laundering checks on it;
 - (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Shares;
 - (iii) (provide personal data to such third parties as the Registrar may consider necessary in connection with its affairs and generally in connection with its holding of Shares or as the DP Act may require, including to third parties outside the EEA;
 - (iv) without limitation, provide such personal data to the Company, the Investment Manager and each of their respective associates for processing, notwithstanding that any such party may be outside the EEA; and
 - (v) process its personal data for the Registrar’s internal administration;
- (hh) in providing the Registrar with information, it hereby represents and warrants to the Registrar that 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 in paragraph (jj) above). For the purposes of this Prospectus, **“data subject”**, **“personal data”** and **“sensitive personal data”** shall have the meanings attributed to them in the DP Act;
- (ii) the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that the Company, the Investment Manager 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 for Ordinary Shares are no longer accurate, it shall promptly notify the Investment Manager and the Company;
- (jj) where it or any person acting on behalf of it is dealing with the Registrar, any money held in an account with the Registrar 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 rules and regulations of the FCA which therefore will not require the Registrar to segregate such money, as that money will be held by the Registrar under a banking relationship and not as trustee;

- (kk) the Placees will not become clients of the Registrar for the purposes of the rules of the FCA or for the purposes of any statutory or regulatory provision;
- (ll) it accepts that the allocation of Shares shall be determined by Company in its absolute discretion but in consultation with the Investment Manager and the Sponsor may scale down any commitments for this purpose on such basis as the Company may determine (which may not be the same for each Placee);
- (mm) time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing in question;
- (nn) the commitment to subscribe for Ordinary Shares on the terms set out in this Part 11 and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) will continue notwithstanding any amendment that may in the future be made to the terms of the relevant Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the relevant Placing; and
- (oo) 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 the Investment Manager 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 Ordinary Shares, and each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels;
 - (ii) notwithstanding any Target Market Assessment undertaken by the Investment Manager, 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 that it has considered the compatibility of the risk/reward profile of such Shares with the end target market; and
 - (iii) it agrees that, if so requested by the Investment Manager, it shall provide aggregated summary information on sales of Shares under PROD 3.3.30R and information on the reviews carried out under PROD 3.3.26R to PROD 3.3.28R.

5. US TRANSFER RESTRICTIONS

Unless otherwise expressly agreed with the Company, each acquirer of Ordinary Shares pursuant to the Placing and each subsequent transferee, by acquiring Ordinary Shares or a beneficial interest therein will be deemed to have represented, warranted, undertaken, agreed and acknowledged to the Company as follows:

- 5.1.1 it is located outside the United States, it is not a US Person, it is acquiring the Ordinary Shares in an "offshore transaction" meeting the requirements of Regulation S and it is not acquiring the Ordinary Shares for the account or benefit of a US Person;
- 5.1.2 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 may not be offered, sold, resold, pledged, delivered or transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company to register under the Investment Company Act;
- 5.1.3 the Company has not been and will not be registered under the Investment Company Act, and as such investors will not be entitled to the benefits of the Investment Company Act and the Company has elected to impose restrictions on each Issue and on the future trading in the Ordinary Shares to ensure that the Company is not and will not be required to register under the Investment Company Act;

- 5.1.4 if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares or any beneficial interest therein it will do so only (i) outside the United States in an “offshore transaction” complying with the provisions of Regulation S to a person not known by the transferor to be a US Person, by prearrangement or otherwise, or (ii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;
- 5.1.5 it is acquiring the Ordinary 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 Shares in any manner that would violate the US Securities Act, the Investment Company Act or any other applicable securities laws;
- 5.1.6 it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person’s status under US federal securities laws and to require any such person that has not satisfied the Company that the holding by such person will not violate or require registration under US federal securities laws to transfer such Shares or interests in accordance with the Articles;
- 5.1.7 the representations, warranties, undertakings, agreements and acknowledgements contained in this Prospectus are irrevocable and it acknowledges that the Company, the Investment Manager, the Sponsor, their respective Affiliates and their respective directors, officers agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings, agreements and acknowledgements;
- 5.1.8 if any of the foregoing representations, warranties, undertakings, agreements or acknowledgements are no longer accurate or have not been complied with, it will immediately notify the Company and the Investment Manager; and
- 5.1.9 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts it has sole investment discretion with respect to each such account and it has full power to make, and does make, such foregoing representations, warranties, undertakings, agreements and acknowledgements on behalf of each such account.

6. SUPPLY AND DISCLOSURE OF INFORMATION

If the Company, the Investment Manager, the Registrar or any of their agents request any information about a Placee’s agreement to subscribe for Ordinary Shares under a relevant Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

7. DATA PROTECTION

- 7.1 Each prospective investor acknowledges and agrees that it has read the Privacy Notice.
- 7.2 For the purposes of this section, the Privacy Notice and other sections of this document, “data controller”, “data processor”, “data subject”, “personal data”, “processing”, “sensitive personal data” and “special category data” shall have the meanings attributed to them in the DP Act and GDPR and the term “process” shall be construed accordingly.
- 7.3 Information provided by it to the Company or the Registrar will be stored both on the Administrator’s and the Registrar’s computer system and manually. It acknowledges and agrees that for the purposes of the DP Act and GDPR the Company and the Registrar are each required to specify the purposes for which they will hold personal data.
- 7.4 Each of the Company and its service providers shall:
 - 7.4.1 be responsible for and control any personal data which it processes in relation to investors or arising out of the matters described in this document;
 - 7.4.2 comply with the DP Act and GDPR and any other data protection legislation applicable to the collection and processing of the personal data; and

- 7.4.3 take appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, the personal data.
- 7.5 Where personal data is shared by the Placee with the Company or its agents pursuant to this document, the Placee shall ensure that there is no prohibition or restriction which would:
 - 7.5.1 prevent or restrict it from disclosing or transferring the personal data to the relevant recipient;
 - 7.5.2 prevent or restrict the Company or its agents from disclosing or transferring the personal data to relevant third parties, and any of its (or their) employees, agents, delegates and subcontractors (including to jurisdictions outside of the EEA and including the United States), in order to provide the services or services ancillary thereto; or
 - 7.5.3 prevent or restrict the Company and any of its (or their), employees, agents, delegates and subcontractors, from processing the personal data as specified in the Privacy Notice and/or in this document.
- 7.6 If the Placee passes personal data of any of its or its Affiliates' employees, representatives, beneficial owners, agents and subcontractors to the Company or its agents, the Placee warrants that it has provided adequate notice to such employees, representatives, beneficial owners, agents and subcontractors including the detail set out in this section 7 and the Privacy Notice and as required by the DP Act and GDPR relating to the processing by the Company or its agents as applicable of such personal data and to the transfer of such personal data outside the EEA.
- 7.7 If the Placee passes personal data of any of its shareholders, investors or clients to the Company, the Placee warrants that it will provide the Privacy Notice or equivalent wording to such shareholders, investors or clients.
- 7.8 The investor will also ensure that it has obtained any necessary consents from any of its or its Affiliates', representatives, employees, beneficial owners, agents or subcontractors in order for the Receiving Agent to carry out AML Checks (as defined in the Privacy Notice).
- 7.9 In providing the Company, the Registrar and the Investment Manager with information each Placee hereby represents and warrants to the Company, the Registrar and the Investment Manager that it has obtained any necessary consents of any data subject whose data it has provided to the Company and the Registrar and their respective associates holding and using their personal data as set out in the Privacy Notice (including, where required, the explicit consent of the data subjects for the processing of any sensitive personal data as set out in the Privacy Notice) and will make the Privacy Notice, for which the Company and the Registrar will process the data, available to all data subjects whose personal data may be shared by it for this purpose.
- 7.10 The Company and the Registrar are each data controllers for the purpose of the DP Act and GDPR and the parties all agree and acknowledge that none of the Company or the Registrar is or shall be a data processor for any of the others or a joint data controller with any of the others and they will each comply with their obligations under the DP Act and GDPR and the Placee will do nothing that puts the Company or the Registrar in breach of their respective obligations. The Administrator is a data processor for the purpose of the DP Act and GDPR and the parties all agree and acknowledge this.

8. MISCELLANEOUS

- 8.1 The rights and remedies of the Company, the Registrar, the Sponsor and the Investment Manager 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.
- 8.2 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 any 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.

- 8.3 Each Placee agrees to be bound by the Articles (as amended) once the Ordinary Shares which the Placee has agreed to subscribe for pursuant to or any Placing have been acquired by the Placee. The contract to subscribe for Ordinary Shares under any Placings, 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. 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 a Placee in any other jurisdiction.
- 8.4 In the case of a joint agreement to subscribe for Ordinary Shares under any 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.
- 8.5 The Company expressly reserves the right to modify the any Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined.

DEFINITIONS

The meanings of the following terms shall apply throughout the Prospectus unless the context otherwise requires:

2017 Segregated Portfolio	the segregated portfolio of the Warana SP Master Fund SPC which was launched in 2017 and is now closed for any further investment
2018 Segregated Portfolio	the segregated portfolio of the Warana SP Master Fund SPC which was launched in 2018 and is now closed for any further investment
2019 Segregated Portfolio	the segregated portfolio of the Warana SP Master Fund SPC which was launched in 2019 and is now closed for any further investment
2017 Offshore Segregated Portfolio	the segregated portfolio of the Warana SP Offshore Fund SPC which was launched in 2017 and is now closed for any further investment
2018 Offshore Segregated Portfolio	the segregated portfolio of the Warana SP Offshore Fund SPC which was launched in 2018 and is now closed for any further investment
2019 Offshore Segregated Portfolio	the segregated portfolio of the Warana SP Offshore Fund SPC which was launched in 2019 and is now closed for any further investment
Administrator or Praxis	Praxis Fund Services Limited, a non-cellular company limited by shares incorporated in the Island of Guernsey with registered number 43046
Administration Agreement	the administration and secretarial agreement between the Company and the Administrator, a summary of which is set out in paragraph 9.3 of Part 8 of the Prospectus
Admission	the admission of the Ordinary Shares to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market
Admission Condition	(i) the FCA having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the Ordinary Shares allotted pursuant to any Placing to the Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("listing conditions")) will become effective as soon as a dealing notice has been issued by the Financial Conduct Authority and any listing conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the Ordinary Shares will be admitted to trading
Advisers Act	the United States Investment Advisers Act of 1940, as amended
AIC	the Association of Investment Companies
AIC Code	the AIC Code of Corporate Governance

AIFM	Alternative Investment Fund Manager being for the Company Warana Capital LLC
AIFM Directive or AIFMD	the Alternative Investment Fund Managers Directive, 2011/61/EU
Australia	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
Board or Directors	the directors of the Company
Business Day	any day on which banks are open for business in Guernsey and London (excluding Saturdays and Sundays)
¢	a cent, one-hundredth of a US Dollar
Canada	Canada, its provinces and territories and all areas under its jurisdictions and political sub-divisions thereof
Cayman Islands Law	the Companies Law (as revised) of the Cayman Islands and every statutory modification or re-enactment thereof for the time being in force
CIMA	Cayman Islands Monetary Authority
Circular	the circular published by the Company on 11 October 2019
Code	the UK Corporate Governance Code as published by the Financial Reporting Council
Company	Alternative Liquidity Fund Limited, a company incorporated in the Island of Guernsey with registered number 60552
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities (Guernsey) Regulations 2009 (as amended)
CRS	the OECD's "Common Reporting Standard"
Custodian	Citibank, N.A. acting through its London branch
Custody Agreement	the custody agreement between the Company and the Custodian, a summary of which is set out in paragraph 9.5 of Part 8 of the Prospectus
Direct Investments	investments acquired in the assets of the underlying illiquid investment funds and/or debt or equity of, or other interests in, the underlying operating company
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the Financial Conduct Authority under Part VII of the Financial Services and Markets Act 2000 (as amended) as amended from time to time
EEA	European Economic Area
EEA States	the member states of the EEA
EGM	the extraordinary general meeting of the Company to be held at 10.00 a.m. on 5 November 2019

ERISA	the United States Employee Retirement Income Security Act of 1974, as amended from time to time and any regulations promulgated thereunder
Excluded Territories each an Excluded Territory	the United States, Canada, Australia, the Republic of South Africa, New Zealand or Japan and any other jurisdiction where the extension or availability of the Issues would breach any applicable law
Existing Portfolio	the Company's portfolio of assets attributable to the Existing Shares
Existing Shares	the issued ordinary shares of US\$0.01 each in the capital of the Company which if the Proposals are approved by Shareholders at the February EGM will be renamed and redesignated as the Realisation Shares
Existing Shareholder	a holder of Existing Shares and given the Proposals were approved at the February EGM the Existing Shareholders will be referred to, going forward, as the Realisation Shareholders
FATCA	US Foreign Account Tax Compliance Act 2010
FCA	the UK Financial Conduct Authority
February Circular	The circular published by the Company on 6 February 2019
February EGM	The extraordinary general meeting of the Company which was held at 9.00 a.m. on 25 February 2019
FSMA	the UK Financial Services and Markets Act 2000
GFSC	the Guernsey Financial Services Commission
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board and adopted by the European Union
Information and Subscription Agreement	the information and subscription agreement dated 11 October 2019 entered into between the Company and the Investment Manager a summary of which is set out at paragraph 9.1 in Part 8
Initial Admission	Admission of the new Ordinary Shares to be issued pursuant to the first Placing carried out under the Placing Programme
Investment Company Act	US Investment Company Act of 1940, as amended
Investment Management Agreement	the investment management agreement between the Company and the Investment Manager, a summary of which is set out in paragraph 9.2 of Part 8 of the Prospectus
Investment Manager or Warana Capital	Warana Capital, LLC, a Delaware limited liability company registered with the United States Securities and Exchange Commission
Issues	the Placings under the Placing Programme

Issue Costs	the costs and expenses payable by the Company in respect of the Issues (including the publication of the Circular, the February Circular and the Prospectus) and Admission
Japan	Japan, its cities, prefectures, territories and possessions
JP Morgan Securities	the nominee account holder, JP Morgan Securities LLC
JP Morgan Securities Related Party Transaction	The possible subscription for Ordinary Shares by JP Morgan Securities as nominee account holder pursuant to the Placing Programme which was approved by the required independent shareholders at the February EGM
LIM Advisers (LIM)	LIM Advisers Limited, the manager of LIM Asia Special Situations Master Fund Limited
LIM Related Party Transaction	the possible subscription by LIM Advisers, through the LIM Asia Special Situations Master Fund Limited pursuant to the Placing Programme which was approved by the required independent shareholders at the February EGM
Listing Rules	the listing rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended) as amended from time to time
London Stock Exchange	London Stock Exchange plc
Main Market	the main market of the London Stock Exchange
Master Management Share	a voting, non-redeemable, non-participating management share in the capital of the Warana SP Master Fund SPC designated as a "Management Share" and having the rights and restrictions provided for under the Warana Master Articles.
Master Participating Class	class of Master Participating Shares
Master Participating Share	a non-voting, redeemable, participating share in the capital of the Warana SP Master Fund SPC designated as a "Participating Share" and having the rights and restrictions provided for under the Warana Master Articles.
MF Law	the Mutual Funds Law (as revised) of the Cayman Islands
Money Laundering Directive	the Money Laundering Directive (2015/849) of the European Parliament and of the EC Council of 20 May 2015
NAV or Net Asset Value	in relation to a Share means its net asset value on the relevant date calculated in accordance with the Company's normal accounting policies
NAV per Ordinary Share or Net Asset Value per Ordinary Share	the net asset value attributable to an Ordinary Share
NAV per Realisation Share or Net Asset Value per Realisation Share	the net asset value attributable to a Realisation Share
New Articles	the new articles of association of the Company that were approved and adopted at the February EGM
Ordinary Portfolio	the portfolio of assets attributable to the Ordinary Shares determined in accordance with the New Articles

Ordinary Shareholders	holders of the Ordinary Shares
Ordinary Shares	ordinary shares of US\$0.01 each in the capital of the Company designated as “Ordinary Shares” and having the rights and being subject to the restrictions specified in the New Articles
Non-Qualified Holder	Any person whose holding or beneficial ownership of shares may (i) result in the Plan Threshold being exceeded or cause the Company’s assets to be deemed, for the purpose of ERISA or the U.S. Tax Code, the assets of: (A) an employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title of ERISA; (B) a “plan” as defined in Section 4975 of the Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Code; or (C) an entity whose underlying assets are considered to include “plan assets” by reason of investment by an “employee benefit plan” or “plan” described in preceding clause (A) or (B) in such entity pursuant to the US Plan Asset Regulations; (ii) result in a Plan Investors holding shares; (iii) may cause the Company to be required to register as an “investment company” under the Investment Company Act (including because the holder of the shares is not a “qualified purchaser” as defined in the Investment Company Act) or similar legislation, or to lose an exemption or status thereunder to which it might otherwise be entitled; (iv) cause the Company to have (A) register under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, (B) register as an “investment adviser” under the Investment Advisers Act or (C) register under any similar legislation; (v) cause the Company not to be considered a “Foreign Private Issuer” as such term is defined in rule 3b-4(c) under the U.S. Exchange Act; (vi) result in a person holding shares in violation of the transfer restrictions put forth in any prospectus published by the Company, from time to time; and (vii) cause the Company to make or become subject to a deduction or withholding relating to FATCA or suffer any other detriment under FATCA or such person fails to comply with its obligations under the Articles of Association of the Company
OECD	the Organisation for Economic Co-operation and Development
Official List	the official list of the UK Listing Authority
Placees	the persons to whom Ordinary Shares are issued pursuant to any Placing under the Placing Programme
Participating Shares	the participating share in the Warana Master Fund
Placing	a conditional placing of Ordinary Shares under the Placing Programme on the terms and subject to the conditions set out in Part 11 of this Prospectus
Placing Programme	the proposed programme of placings of Ordinary Shares as described in Part 5 of the Prospectus
Placing Programme Price	the price per Ordinary Share under the Placing Programme

Portfolio	the Realisation Portfolio and/or the Ordinary Portfolio as the context may require
Portfolio Investment Funds	the underlying investment funds in which the Company and/or Warana Master Fund intends to invest
Portfolio Investment Managers	managers, general partners or sponsors of the underlying investment funds in which the Company and/or Warana Master Fund intends to invest
Proposals	the recommended proposals to introduce a new ordinary share class and the Placing Programme
Prospectus	this document
Prospectus Rules	the prospectus regulation rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended) as amended from time to time
Realisation Portfolio	the portfolio of assets attributable to the Realisation Shares determined in accordance with the New Articles
Realisation Shareholders	holders of Realisation Shares
Realisation Shares	the ordinary shares of US\$0.01 each in the capital of the Company designated as such which the Company's Existing Shareholders are being asked, as part of the Proposals, at the February EGM to re-designate as realisation shares and being subject to the restrictions specified in the New Articles
Receiving Agent	Link Asset Services Limited, a trading name of Link Market Services Limited
Register	the register of members of the Company
Registrar	Link Market Services (Guernsey) Limited, a company incorporated in Guernsey with registered number 38018
Registrar's Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 9.4 of Part 8 of the Prospectus
Regulation S	Regulation S promulgated under the Securities Act
Regulatory Information Service or RIS	a regulatory information service that is on the list of regulatory information services maintained by the FCA
Restricted Jurisdiction	any jurisdiction where local law or regulations may result in a risk of civil, regulatory or criminal exposure or prosecution if information or documentation concerning the Issues or the Prospectus is sent or made available to a person in that jurisdiction
SCML	Signet Capital Management Limited, a company incorporated in England and Wales with registered number 4644944
SEC	US Securities and Exchange Commission
Shareholder	a holder of Shares

Shares	the Ordinary Shares and/or the Realisation Shares as the context may require
SMMI	Signet Multi-Manager SPC Inc, an umbrella fund incorporated in the British Virgin Islands and registered with the Registrar of Corporate Affairs of the BVI as a Segregated Portfolio Company with registered number 88959
Sponsor	Dickson Minto W.S.
Sterling	the lawful currency of the United Kingdom
Supplemental Agreement to the Investment Management Agreement	the supplemental agreement to the Investment Management Agreement entered into between the Company and the Investment Manager, a summary of which is set out at paragraph 9.2 in Part 8
Sunrise Partners	Sunrise Partners Limited Partnership
Takeover Code	the City Code on Takeovers and Mergers
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UKLA or UK Listing Authority	the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
UK Money Laundering Regulations	Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
United States or US	the United States of America (including the District of Columbia), its territories and possessions, any state of the United States of America and all other areas subject to its jurisdiction or any political sub-division thereof
US Dollars	the lawful currency of the US
US Person	a US person as defined by Regulation S of the US Securities Act
US Securities Act or Securities Act	the United States Securities Act of 1933, as amended
US Tax Code	the U.S. Internal Revenue Code of 1986, as amended
Warana Master Fund Administrator or SS&C	SS&C Technologies, Inc.
Warana Master Articles	the current articles of association of the Warana SP Master Fund SPC, a summary of which is set out in paragraph 4 of Part 9 of the Prospectus
Warana Master Directors or Warana directors	the directors of the Warana SP Master Fund SPC being, at the date of this Prospectus Mr Timothy Ivers and Mr Grant Gillespie
Warana Master Fund	Warana SP Master Fund SPC – 2020 Segregated Portfolio and/or any future or successor segregated portfolios of the Warana SP Master Fund SPC
Warana Master Fund Manager	the investment manager of the Warana Master Fund, being Warana Capital, LLC
Warana Master Fund PPM	the private placement memorandum to be published by the Warana Master Fund

Warana SP Master Fund SPC	Warana SP Master Fund SPC, a Cayman Islands Segregated Portfolio Company
Warana Offshore Articles	the current articles of association of the Warana SP Offshore Fund SPC, a summary of which is set out in paragraph 7 of Part 10 of the Prospectus
Warana Offshore Directors	the directors of the Warana SP Offshore Fund SPC being, at the date of this Prospectus, Mr Timothy Ivers and Mr Grant Gillespie.
Warana Offshore Fund	Warana SP Offshore Fund SPC – 2020 Segregated Portfolio and/or any future or successor segregated portfolios of the Warana SP Offshore Fund SPC
Warana Offshore Fund Administrator	SS&C Technologies Inc.
Warana Offshore Fund Manager	the investment manager of the Warana Offshore Fund, being Warana Capital, LLC
Warana SP Offshore Fund SPC	Warana SP Offshore Fund SPC, a Cayman Islands Segregated Portfolio Company
Warana Onshore Fund	Warana SP Domestic Fund, LLC – 2018 Series, a Delaware limited liability company
Warana SP Onshore Fund SPC	Warana SP Domestic Fund, LLC, a Delaware limited liability company
Warana Ordinary NAV	the NAV per Ordinary Share calculated by the Administrator using Warana's provisioning recommendations
Warana Realisation NAV	the NAV per Realisation Share calculated by the Administrator using Warana's provisioning recommendations