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If you have sold or otherwise transferred all your Shares, you should pass this document (but not any accompanying personalised Form of Proxy) as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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)

Proposed amendments to articles of incorporation and renewal of share buyback authority

and

Notice of Extraordinary General Meeting

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended (the "**POI Law**") and the Registered Collective Investment Scheme Rules and Guidance, 2021 (the "**Rules**") issued by the Guernsey Financial Services Commission ("**GFSC**"). Notification of the proposals outlined in this document has been given to the GFSC pursuant to Rule 5 of the Rules. The GFSC has not reviewed this document and takes no responsibility for the correctness of any statements made or opinions expressed with regard to the Company.

Your attention is drawn to the "Letter from the Chairman" in Part 1 of this document which contains a recommendation from the Board that Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.

Notice of the Extraordinary General Meeting to be held at 9.00 a.m. on 19 October 2022 at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR is set out at the end of this document. The accompanying Form of Proxy for use at the Extraordinary General Meeting should be completed and returned as soon as possible and, to be valid, must arrive with Link Group at PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL no later than 9.00 a.m. on 17 October 2022.

The definitions used in this document are set out on page 8 of this document.

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PART 1 - LETTER FROM THE CHAIRMAN

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)

Directors:

Quentin Spicer (*Chairman*)

Dr Richard Berman

Anthony Pickford

Registered Office:

Sarnia House

Le Truchot

St Peter Port

Guernsey GY1 1GR

23 September 2022

Dear Shareholder

Proposed amendments to articles of incorporation and renewal of share buyback authority

1 Introduction

In April 2022, the Company announced that Waverton Investment Management Limited had decided not to proceed with the launch of a new share class. The Company also announced that it would continue its existing investment policy and realisation strategy and continue to be advised by Hindsight Solutions Limited (the "**Investment Adviser**") in the execution of that strategy. At the same time, the Board reported that it would examine the options available to the Company to accelerate the continuing managed wind-down of the current portfolio within a specified time frame and propose to and discuss with Shareholders adopting a designated realisation date with a view to the eventual formal winding-up of the Company.

The Board and the Investment Adviser have undertaken a detailed analysis of the Company's remaining portfolio, including the current and anticipated liquidity profile of the underlying investments and the likely timeline of that liquidity. As at 23 September 2022, approximately 87 per cent. of the portfolio's NAV is represented by three investments in Brazil, all controlled by Vision Brazil Investments. The Board currently expects that these investments will become liquid within the next 18 months.

As Shareholders are aware, the majority of the balance of the investment portfolio (in terms of line items) is held at or close to zero value. The Board believes that there is no material advantage to be gained in retaining these assets within the portfolio any longer. The transfer of such nil or de minimis value assets can take months if not longer to conclude, during which time the Company continues to incur costs. The Directors therefore propose to proceed with the sale of this part of the portfolio which has realistically little or no value and to complete that process prior to the Company entering formal voluntary liquidation. A small number of investments with modest value (for example, the Company's positions with Autonomy, Galileo, ABAX) may be included in this portfolio disposal in order to generate a wider number of third-party bids. To date, the Company has approached several secondary market potential buyers and has received indications of interest.

Accordingly, the Directors currently expect that most of the remaining portfolio will have been sold and the resultant cash distributed to Shareholders prior to the Company's anticipated

formal orderly winding up. The appointment of a liquidator will therefore be to deal with any remaining assets, effect any final payments and to formally close the Company. Further detail on the appointment of a liquidator and to propose the requisite resolution to Shareholders for the winding-up of the Company will follow in due course.

Given the illiquid nature of the Company's remaining investments, it is difficult to provide certainty over the timeframe for realisation. However, the Board is aware that Shareholders will expect some guidance on the expected timeline, and it is the Directors' current estimate, based on its analysis of the current and anticipated liquidity profile of the underlying investments, that the Company will be able to target a solvent voluntary liquidation date prior to 31 December 2023.

To enable the Company to reduce administrative burdens and, therefore, to enable the Company to make cost savings during the realisation process prior to the commencement of its eventual formal winding-up, the Board is proposing that certain amendments be made to the Articles to assist the Company in its management of future communications with Shareholders and in its dealings with untraced Shareholders and unclaimed dividends and other distributions.

There are several certificated Shareholders on the Register whom the Company has been unable to trace or contact. The Investment Adviser and the Registrar have spent considerable time over the past six years to trace and speak with Shareholders to update their contact details, to help them dematerialise their Shares, and to assist them to collect and bank un-cashed dividend cheques. Unfortunately, despite considerable endeavours, there remain approximately twenty certificated Shareholders that the Company has been unable to contact or trace. Although the Investment Adviser and Registrar will continue to try and resolve these issues and reach out to such Shareholders, for the Company to be able to achieve the intended date for the voluntary liquidation, the Board is proposing certain changes be made to the Articles to reduce the time periods following which unclaimed dividends and other distributions may be treated as forfeited and to give the Company increased flexibility to sell or purchase Shares held by an untraced Shareholder. A summary of all the changes proposed to the Articles is set out in paragraph 2 below.

The Board has always been conscious of the Company's running costs and as the portfolio becomes smaller and the work involved in the final stages of the Company's life starts to decrease, the Board will seek to reduce fees and service provider costs. The Board and Investment Adviser have examined the possibility of de-listing the Company immediately. However, the additional anti-money laundering and KYC-related costs involved substantially outweigh the exchange-related and regulatory listing fees and offer no significant costs savings.

The purpose of this document is to provide Shareholders with details of the Proposals, including the proposed amendments to the Articles. The notice convening the Extraordinary General Meeting at which resolutions will be proposed to adopt the amended articles as the new articles of incorporation of the Company and to renew the Company's authority to make purchase of its own shares is set out at the end of this document. This document also explains the reasons why the Board believes that the Resolutions are in the best interests of Shareholders as a whole.

2 Amendments to the Articles and renewal of share buyback authority

If Resolution 1 is passed at the EGM, the Articles will be amended to:

- (i) reduce the time after which unclaimed dividends and other distributions shall be forfeited, and shall revert to the Company, from seven years after the date of payment, to six months;
- (ii) reduce the time after which the Company may start to take steps to sell the Shares of an untraceable Shareholder, and record such Shareholder as a creditor of the Company in respect of such sale proceeds, from 12 years to six months and to provide that the proceeds of such sale shall be forfeited and will belong to the Company if no valid claim for such proceeds is received within six months of the date of sale;
- (iii) provide the Company with an alternative process to deal with the Shares of an untraceable Shareholder, by providing that the Company is permitted, having taken certain steps prescribed by the Articles, to purchase those Shares at a price equal to the market bid price of the Shares at the time of purchase, and to provide that the aggregate purchase price payable for such Shares shall be forfeited and will belong to the Company if no valid claim for the same is received within six months of the date of purchase;
- (iv) permit all future communications from the Company to Shareholders to be made by electronic means, unless notified otherwise by a Shareholder in writing.
- (v) reflect the admission to trading of the Shares on the Specialist Fund Segment; and
- (vi) update for changes in legislation.

A copy of the Articles (containing the full terms of the amendments proposed to be made) will be available at the venue for the EGM for at least 15 minutes prior to and during the meeting and are available during normal business hours (Saturdays, Sundays and public holidays excepted) at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH until the close of the EGM.

At the Company's annual general meeting held on 8 December 2021, Shareholders voted in favour of a resolution to authorise the Directors to make market purchases of Shares. That authority will expire at this year's annual general meeting. As explained above, one of the amendments proposed to be made to the Articles to deal with untraceable Shareholders is to provide a process for the Company to be able to buy-back those Shares. The Directors are proposing to renew the Company's share buyback authority at the EGM, with the authority to expire on 31 December 2023, to support the amendments being made to the Articles to deal with untraceable Shareholders in the period through to the eventual liquidation of the Company. Any Shares bought back pursuant to this authority may be cancelled or held in treasury.

3 Benefits associated with the Proposals

The Board believes that the Proposals offer the following benefits to Shareholders:

- Continuing a managed realisation of assets, including a sale of a substantial part of the portfolio, rather than placing the Company in liquidation immediately, is expected to enable the Company to reduce the eventual costs associated with a liquidation.
- The on-going costs and fees of the Company are expected to reduce during the realisation process as a result of the proposed changes to the Articles.

- Addressing Shareholder issues now should aid the liquidation process in both time and cost.

4 Risks associated with the Proposals

Although Shareholders are only being asked to vote on the proposed amendments to the Articles and to renew the Company's share buyback authority and not on the Proposals as a whole, Shareholders should still have regard to the following:

- There can be no guarantee that the Board will be able to realise a substantial part of the remaining portfolio within the indicated timeline or at all.
- At the point the Company enters voluntary liquidation, it is likely to be uncertain how long it will take until full realisation is achieved. On entering voluntary liquidation, it is expected that the Company will cease to maintain its admission to the Specialist Fund Segment, and Shareholders should thereafter no longer expect to be able to buy and sell Shares through the London Stock Exchange.

5 The Extraordinary General Meeting

You will find set out at the end of this document a notice convening the Extraordinary General Meeting of the Company to be held at 9.00 a.m. on 19 October 2022 at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at which a special resolution will be proposed to amend the Articles, and an ordinary resolution will be proposed to renew the existing authority for the Company to make market purchases of its own Shares.

A special resolution requires a majority of at least 75 per cent. of members entitled to vote and present in person or by proxy to vote in favour for it to be passed. An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed.

6 Action to be taken by Shareholders

You will find enclosed with this document a Form of Proxy for use at the Extraordinary General Meeting. Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it to Link Group at PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received as soon as possible and, in any event, not later than 9.00 a.m. on 17 October 2022.

The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting.

7 Recommendation

The Board considers that the Resolutions are in the best interests of Shareholders taken as a whole and accordingly unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. The Directors who hold Shares intend to vote in favour of the Resolutions in respect of their own beneficial holdings amounting, in aggregate, to 100,000 Shares (representing approximately 0.07 per cent. of the Company's issued share capital as at the date of this document).

Yours faithfully

Quentin Spicer
Chairman

PART 2- DEFINITIONS

Unless the context otherwise requires, the following words and expressions have the following meanings in this document:

Articles	the articles of incorporation of the Company, as in force from time
Board or Directors	the board of Directors of the Company or any duly constituted committee thereof
Company	Alternative Liquidity Fund Limited
EGM or Extraordinary General Meeting	the extraordinary general meeting of the Company to be held at 9.00 a.m. on 19 October 2022, or any adjournment thereof, notice of which is set out at the end of this document
Form of Proxy	the form of proxy accompanying this document, for use by Shareholders in connection with the Extraordinary General Meeting
GFSC	the Guernsey Financial Services Commission
Investment Adviser	Hindsight Solutions Limited
London Stock Exchange	London Stock Exchange plc
Main Market	the main market for listed securities operated by the London Stock Exchange
Proposals	the proposals described in Part 1 of this document to: (i) target the realisation of a substantial majority of the Company's remaining portfolio prior to the Company entering voluntary liquidation; (ii) make certain amendments to the Articles; and (iii) renew the Company's authority to make market purchases of its own Shares
Register	the register of members of the Company
Registrar	Link Market Services (Guernsey) Limited
Resolutions	the resolutions to be proposed at the EGM, as set out in the notice at the end of this document
Shareholder	a holder of Shares
Shares	the issued ordinary shares of US\$0.01 each in the capital of the Company
Specialist Fund Segment	the Specialist Fund Segment of the Main Market

NOTICE OF EXTRAORDINARY GENERAL MEETING

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)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Alternative Liquidity Fund Limited (the "**Company**") will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 9.00 a.m. on 19 October 2022 to consider and, if thought fit, pass the following resolutions, in the case of Resolution 1 as a special resolution and in the case of Resolution 2 as an ordinary resolution:

SPECIAL RESOLUTION

1. THAT the draft articles of incorporation produced to the meeting and, for the purposes of identification, initialled by the Chairman of the meeting be adopted as the articles of incorporation of the Company in substitution for, and to the entire exclusion of, the existing articles of incorporation of the Company.

ORDINARY RESOLUTION

2. THAT the Company be generally and unconditionally authorised, in accordance with the Companies (Guernsey) Law, 2008 (as amended) (the "**Law**") to make market purchases (as defined in that Law) of Ordinary Shares of US\$0.01 ("**Ordinary Shares**"), either for retention as treasury shares for future resale or transfer or cancellation, provided that:
 - (i) the maximum number of Ordinary Shares hereby authorised to be purchased shall be 14.99 per cent. of the issued Ordinary Shares on the date on which this resolution is passed;
 - (ii) the minimum price which may be paid for an Ordinary Share shall be US\$0.01 per share;
 - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be an amount equal to the higher of (i) 105 per cent. of the average of the middle market quotations (as derived from the Daily Official List) of the Ordinary Shares for the five business days immediately preceding the date of purchase; and (ii) the higher of the latest independent trade and the highest current independent bid on the trading venue on which the purchase is carried out; and
 - (iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 December 2023, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares under such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

By order of the Board

Sanne Fund Services (Guernsey) Limited Company Secretary

Registered office

Sarnia House
Le Truchot
St Peter Port
Guernsey, GY1 1GR

23 September 2022

Notes:

- 1 Any Shareholder entitled to attend, speak, and vote at the meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by the Shareholder. A Shareholder entitled to more than one vote need not, if he votes, use all his votes, or cast all the votes he uses in the same way. A proxy may be an individual or a body corporate who need not be a Shareholder of the Company.
- 2 The Form of Proxy, together with, if appropriate, any power of attorney or other authority or a notarially certified copy of any power of attorney or other authority (if any) under which it is signed, must be deposited with Link Group at PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL not later than forty-eight hours before the time appointed for holding the meeting.
- 3 To appoint more than one proxy to vote in relation to different Shares within your holding you may photocopy the form. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which in aggregate should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.
- 4 Return of a completed Form of Proxy will not preclude a Shareholder from attending and voting personally at the meeting. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- 5 Any corporation which is a Shareholder of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any class of Shareholders of the Company and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder of the Company.
- 6 To change your proxy instructions, simply submit a new proxy appointment using the method set out above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Please note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- 7 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 8 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The CREST Proxy Instruction, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received

by Link Group (ID RA10) no later than 48 hours before the time appointed for the meeting (excluding any part of a non-working day). No such CREST Proxy Instruction received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Proxy Instruction by the CREST Applications Host) from which our registrar is able to retrieve the CREST Proxy Instruction by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

- 9 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 10 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 11 Only Shareholders registered in the register of Shareholders of the Company by close of business on 17 October 2022 shall be entitled to attend, speak, and vote at the meeting in respect of the number of Shares registered in their name at that time. Changes to entries on the register after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 12 The quorum for a meeting of Shareholders is two or more Shareholders (provided that they are entitled to vote on the business to be transacted at the meeting) present in person or by proxy.
- 13 If, within half an hour from the appointed time for the meeting, a quorum is not present, then the meeting will be adjourned to 9.00 a.m. on 26 October 2022 at the same address. At that meeting, those Shareholders present in person or by proxy will form a quorum whatever their number and the number of Shares held by them.
- 14 As at 5.00 p.m. on 22 September 2022, the Company's issued share capital comprised 146,644,387 Shares carrying one vote each. Therefore, the total voting rights in the Company at 22 September 2022 were 146,644,387 votes.