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If you have sold or otherwise transferred all of your Existing 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 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)*

Approval of waiver of Rule 9 of the City Code on Takeovers and Mergers 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 (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 Part 6 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" set out in Part 1 of this document which contains a recommendation from the Board that Shareholders vote in favour of the Waiver Resolution 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 Monday 28 February 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 24 February 2022.

The definitions used in this document are set out in Part 4 of this document.

Cenkos Securities plc ("**Cenkos**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in relation to the matters described in this document and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos, or for providing advice in relation to the contents of this document or any matter referred to in it.

No liability is accepted by Cenkos nor does it make any representation or warranty, express or implied, in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the matters set out in this document and accordingly Cenkos disclaims all and any responsibility or liability whether arising in tort, contract or which it might otherwise have in respect of this document or any such statement, to the maximum extent permitted by law and the regulations to which it is subject.

This document is dated 9 February 2022.

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PART 1
LETTER FROM THE CHAIRMAN

ALTERNATIVE LIQUIDITY FUND LIMITED

*(incorporated in 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

9 February 2022

Dear Shareholder

Rule 9 Waiver

1 Introduction

The Company was established to provide liquidity to investors in alternative assets following the 2008-2009 financial crisis. Since 25 February 2019, when the Company's current investment policy was adopted, the Company has pursued a realisation strategy in relation to the Existing Portfolio. That purpose has largely been achieved and as at 30 June 2021, the Company had returned the majority of its assets to Existing Shareholders. It is currently anticipated that the remaining assets in the Existing Portfolio will be realised fully within the next 12 to 24 months.

At an extraordinary general meeting of the Company held on 6 September 2021, Shareholders voted in favour of a number of resolutions to give effect to proposals relating to the issue of a new class of Ordinary Shares, the appointment of Waverton Investment Management Limited ("**Waverton**") as investment manager of a new Ordinary Portfolio and the adoption of a new investment objective and policy of the Ordinary Portfolio. The Directors were also granted authority to allot and issue (or sell from treasury) up to 250 million new Ordinary Shares for cash on a non-pre-emptive basis. The new Ordinary Shares will also be admitted to trading on the Specialist Fund Segment.

With effect from Admission, the Company's existing class of ordinary shares will be re-designated as the "**Realisation Shares**" to reflect the Board's policy to return cash from the proceeds of the investments, and the Company's existing assets currently held within the Existing Portfolio will be attributable to the "**Realisation Portfolio**". New ordinary shares to be issued pursuant to the Initial Issue and the Company's proposed ongoing placing programme will be designated as "**Ordinary Shares**" and the assets attributable to that new share class will be the "**Ordinary Portfolio**".

Conditional on Admission, Waverton will be appointed as investment manager to the Company with responsibility for the management of the Ordinary Portfolio. The assets attributable to the Ordinary Portfolio will be invested in a diversified portfolio of assets which Waverton considers have attractive medium to long-term return potential across both quoted public market and unquoted private market opportunities.

The Company currently intends to publish a prospectus in connection with the Initial Issue and ongoing placing programme of new Ordinary Shares in Q1 2022. The Company is targeting minimum gross proceeds of the Initial Issue of £50 million and maximum gross proceeds of the Initial Issue of £150 million. Ordinary Shares will be issued pursuant to the Initial Issue at £1.00 per Ordinary Share.

Waverton is a UK based investment management firm which, as at 31 December 2021, managed approximately £8.6 billion of assets for a variety of clients including private clients, funds and charities. In making investments, Waverton is at all times acting as agent for and on behalf of discretionary managed clients.

Waverton intends to procure an aggregate investment of between approximately £24.8 million and £30 million in the Ordinary Shares as part of the Initial Issue across investment mandates on a discretionary basis for private clients, funds and charities (the "**Waverton Discretionary Mandates**"). Waverton, persons acting with Waverton and the Waverton Discretionary Mandates (together the "**Waverton Concert Party**") are regarded as acting in concert for the purposes of the Takeover Code.

Although the exact size of the aggregate investment by the Waverton Concert Party as part of the Initial Issue will not be determined until closing of the Initial Issue and will depend on the Initial Issue size and the investment decisions taken by the relevant portfolio managers at Waverton on behalf of their respective Waverton Discretionary Mandates, the Waverton Concert Party will not invest an amount in the Initial Issue which would result, on Admission, in it being interested in more than 49.9 per cent. of the total voting rights in the Company. However, the aggregate investment of the Waverton Concert Party in the Initial Issue could represent greater than 30 per cent. of the total voting rights in the Company following completion of the Initial Issue; accordingly, the participation of the Waverton Concert Party in the Initial Issue will be subject to the approval of the Independent Shareholders of the waiver of the obligation that would otherwise arise on the Waverton Concert Party to make a Rule 9 offer as the result of the acquisition of an interest in shares carrying 30 per cent. or more of the total voting rights in the Company.

The purpose of this document is to provide you with details of the proposed aggregate investment in the Initial Issue by the Waverton Concert Party and to set out the reasons why the Board recommends that you vote in favour of the Waiver Resolution to be proposed at the Extraordinary General Meeting.

2 Rule 9 of the Takeover Code and background to the Rule 9 Waiver

The proposed participation by the Waverton Concert Party in the Initial Issue gives rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are described below.

Under Rule 9 of the Takeover Code, any person who acquires an interest in shares (as defined in the Takeover Code) which (taken together with shares in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares.

Rule 9 of the Takeover Code also provides, *inter alia*, that where any person, together with any persons acting in concert with him, is interested in shares carrying not less than 30 per cent. but does not hold shares carrying more than 50 per cent. of a company's voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person.

An offer under Rule 9 of the Takeover Code must be made in cash and at the highest price paid by the person required to make the offer (or any persons acting in concert with him) for any such interests within the 12 months prior to the announcement of the offer.

For the purposes of the Takeover Code, a concert party arises where persons acting in concert pursuant to an agreement or understanding (whether formal or informal) co-operate, to obtain or consolidate control of that company. Control means a holding, or aggregate holdings, of interests in shares carrying in aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code), irrespective of whether the holding or holdings give de facto control.

Waverton

Waverton (as agent on behalf of the Waverton Discretionary Mandates) intends to procure an aggregate investment of between approximately £24.8 million and £30 million in the Ordinary Shares as part of the Initial Issue. As at the date of this document, no member of the Waverton Concert Party holds any Existing Shares. As noted above, the exact size of the aggregate investment by the Waverton Concert Party as part of the Initial Issue will not be determined until closing of the Initial Issue and will depend on the Initial Issue size and the investment decisions taken by portfolio managers at Waverton on behalf of their respective Waverton Discretionary Mandates. It is currently expected that approximately 70 per cent. of the aggregate investment of the Waverton Concert Party in the Initial Issue will be allocated to private clients with an allocation of approximately 25 per cent. to funds and approximately 5 per cent. to charities, although this will depend on investment decisions at closing of the Initial Issue. In any event, the aggregate investment of the Waverton Concert Party in the Ordinary Shares will be capped so that, on Admission, the Waverton Concert Party will not be interested in more than 49.9 per cent. of the total voting rights in the Company.

The Panel has agreed, however, to waive the obligation on the members of the Waverton Concert Party to make a general offer that would otherwise arise as a result of the holding of interests in Ordinary Shares following participation by the Waverton Concert Party in the Initial Issue provided the approval, on a poll of the Independent Shareholders, is obtained at the Extraordinary General Meeting. Accordingly, the Waiver Resolution is being proposed at the Extraordinary General Meeting and will be taken on a poll.

For the avoidance of doubt, the Rule 9 Waiver applies only in respect of the interest in Ordinary Shares by members of the Waverton Concert Party resulting from their aggregate investment in the Initial Issue and not in respect of other increases in their respective interests in Shares.

In the event that the Waiver Resolution is approved by Independent Shareholders, the Waverton Concert Party will not be restricted from making an offer for the Company.

Further details concerning Waverton and the Waverton Concert Party are set out in Part 2 of this document.

The notice of the Extraordinary General Meeting, at which the Waiver Resolution will be proposed, is set out at the end of this document.

If, following completion of the Initial Issue, the Waverton Concert Party will be interested in shares carrying not less than 30 per cent. of the Company's voting rights, further acquisition of interests in shares by the Waverton Concert Party will be subject to Rule 9 of the Takeover Code.

3 Additional considerations associated with the Waiver Resolution

Existing Shareholders should have regard to the following when considering the Waiver Resolution:

- following the issue of Ordinary Shares pursuant to the Initial Issue, the Waverton Concert Party may hold a significant proportion of the Ordinary Shares. The interests of the Waverton Concert Party (and any individual member thereof) may conflict with the interests of the Independent Shareholders and/or the Company and in such circumstances, matters may not be resolved in a manner which Independent Shareholders consider to be in their best interests or in the interests of the Company;
- pursuant to the New Articles, the Company's voting structure will change upon Admission so that, in respect of the Realisation Shares, at any general meeting of the Company each Realisation Shareholder will have, on a show of hands, one vote, and on a poll, a weighted vote determined by reference to the underlying NAV of the Realisation Shares and calculated in accordance with the New Articles. This weighted voting right will be calculated and fixed immediately following Admission and will not change as the return of capital for the Realisation Shareholders will be effected by way of an issue of redeemable B shares to Existing Shareholders *pro rata* to their shareholdings on the relevant record date and the subsequent redemption and cancellation of those B shares.

As an illustrative example, a Realisation Shareholder holding 100 Realisation Shares, and on the basis of the Company's NAV of US\$0.1497 per Existing Share as at 30 September 2021, and the prevailing GBP/USD exchange rate as at the date of this document, such Realisation Shareholder would have, on a poll, 11 votes in respect of the 100 Realisation Shares held. 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. However, it should also be noted that 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 Articles in such a way as to materially affect the class rights of the Realisation Shareholders; 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 anticipated significant size of the Waverton Concert Party holding following completion of the Initial Issue may have an impact on the Company's future ability to attract new equity investors, which could in turn have an effect on the Company's ability to grow; and
- in the event that Shareholders do not vote in favour of the Waiver Resolution, then the Initial Issue may still proceed but the Waverton Concert Party may not acquire Ordinary Shares in such an amount that would result in the Waverton Concert Party holding in excess of 29.9 per cent. of the voting rights of the Company on Admission, which may impact the size and/or likelihood of success of the Initial Issue.

4 The Extraordinary General Meeting

The Extraordinary General Meeting has been convened for Monday 28 February 2022 at 9.00 a.m. At the Extraordinary General Meeting, Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution to be taken on a poll by the Independent Shareholders to waive the obligation on the Waverton Concert Party which would otherwise arise under Rule 9 as a result of the aggregate investment of the Waverton Concert Party in the Initial Issue.

The majority required for the passing of the Waiver Resolution is a simple majority of the votes cast (in person or by proxy) on the Waiver Resolution at the Extraordinary General Meeting. Only Independent Shareholders may vote on the Waiver Resolution.

The Extraordinary General Meeting will take place at the Company's registered office, Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR.

5 Action to be taken in respect of the Extraordinary General Meeting

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 24 February 2022. Only Independent Shareholders may vote on the Waiver Resolution.

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

6 Recommendation

The Board has received financial advice from Cenkos in relation to the Rule 9 Waiver. The Board, having been so advised by Cenkos, considers the Rule 9 Waiver to be fair and reasonable as far as the Independent Shareholders are concerned and in the best interests of the Independent Shareholders as a whole. In providing its financial advice to the Board, Cenkos has taken into account the Board's commercial assessments.

Accordingly, the Board unanimously recommends that you vote in favour of the Waiver Resolution to be proposed at the Extraordinary General Meeting.

The Directors intend to vote in favour of the Waiver Resolution at the Extraordinary General Meeting in respect of their own holdings of Existing Shares as at the date of the Extraordinary General Meeting, representing approximately 0.07 per cent. of the Existing Shares in issue as at the Latest Practicable Date.

Yours faithfully

Quentin Spicer
Chairman

PART 2

INFORMATION ON WAVERTON AND THE WAVERTON CONCERT PARTY

1 Information on Waverton

1.1 Introduction

Waverton is an independent, owner-managed investment management firm based in London. Waverton had approximately £8.6 billion of assets, as of 31 December 2021, through four major business streams: Private Clients, Institutional Investment Solutions, Charities and Advisor Solutions.

Waverton was originally founded as J O Hambro Investment Management ("**JOHIM**") in 1986 by Richard Hambro. In 2001, JOHIM was acquired by the Credit Suisse Group, although it remained an independently managed entity. In 2013, Credit Suisse agreed to sell JOHIM to Bermuda National Limited, since re-named Somers Ltd, and to the firm's existing management team and staff. The board agreed that the firm would be renamed Waverton Investment Management Limited following the successful acquisition by management and Somers Ltd. All key personnel hold meaningful equity stakes in the firm.

Waverton is a wholly-owned subsidiary of Waverton Investment Management Group Limited which acts as a holding company to a group of FCA-regulated financial services businesses, including Waverton.

Waverton's principal aim is to generate attractive real returns for clients over the long term, using an active, flexible approach through bespoke portfolios or specialist funds and mandates.

In making investments, Waverton is at all times acting as agent for and on behalf of its discretionary managed clients, including the Waverton Discretionary Mandates.

1.2 Directors

The directors of Waverton are as follows:

<i>Name</i>	<i>Function</i>
Sebastien Dovey	(Director)
Charles Jillings	(Director)
David Morgan	(Director)
Algernon Percy	(Director)
Frederick Rosier	(Director)
Geoffrey Tucker	(Director)

1.3 Incorporation and registered office

Waverton is incorporated in England and Wales as a private company limited by shares and its registered office is at 16 Babmaes Street, London SW1Y 6AH, United Kingdom.

2 Disclosure of interests and dealings

As at the close of business on the Latest Practicable Date and save as disclosed in this document:

- (a) no members of the Waverton Concert Party had an interest in or right to subscribe for, or had any short position in relation to, any relevant Company securities, nor had any such members of the Waverton Concert Party dealt in any relevant Company securities during the disclosure period;
- (b) none of the directors of Waverton (including any members of such directors' respective immediate families, related trusts or connected persons) had an interest in or a right to subscribe for, or had any short position in relation to, any relevant Company securities, nor had any such person dealt in any relevant Company securities during the disclosure period;
- (c) no other person acting in concert with the Waverton Concert Party had an interest in or a right to subscribe for, or had any short position in relation to, any relevant Company securities, nor had any such person dealt in any relevant Company securities during the disclosure period;
- (d) no agreement, arrangement or understanding (including any compensation arrangement) exists between the Waverton Concert Party and/or any of the Directors or recent directors, Shareholders or recent Shareholders, or any person interested or recently interested in shares of the Company, having any connection with, or dependence upon the outcome of the Initial Issue;
- (e) there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Ordinary Shares to be acquired by any member of the Waverton Concert Party pursuant to the Initial Issue will be transferred to any other person; and
- (f) neither the Waverton Concert Party nor any person acting in concert with them have borrowed or lent any relevant Company securities, save for any borrowed shares which have either been on-lent or sold.

3 Participation in the Initial Issue

The Initial Issue and the aggregate investment by the Waverton Discretionary Mandates in respect of the same is not expected to have a material effect on Waverton's earnings, assets or liabilities.

4 Waverton's intentions regarding the Company

As noted in paragraph 1 of Part 1 of this document, at an extraordinary general meeting of the Company held on 6 September 2021, Shareholders voted in favour of a number of resolutions to give effect to proposals relating to the issue of a new class of Ordinary Shares, the appointment of Waverton as investment manager of a new Ordinary Portfolio and the adoption of a new investment objective and policy of the Ordinary Portfolio.

Waverton and the Company will enter into an investment management agreement pursuant to which, conditional on Admission, the Company will delegate portfolio management services in respect of the Ordinary Portfolio to Waverton. Waverton will be entitled to receive a fee in respect of the services to be provided by it in relation to the Ordinary Portfolio.

It is the Board's current intention to apply for listing of the Ordinary Shares on the Official List within two to three years of Admission.

Save as disclosed above, Waverton confirms that it has no intention to make any changes in relation to:

- (a) the future business of the Company;
- (b) the strategic plans of the Company;
- (c) the continued employment of the Company's employees and management, including the continued employment of, or the conditions of employment and any such rights relating thereto of, any of the Company's employees and management;
- (d) the redeployment of any fixed assets of the Company;
- (e) the locations of the Company's places of business; or
- (f) the maintenance of any existing trading facilities for the relevant Company securities.

The Company has confirmed to Waverton that it does not have a Company pension scheme.

5 Material contracts

Waverton has not entered into any material contract (other than any contracts entered into in the ordinary course of business) outside the ordinary course of business since the date two years preceding the date of this document.

6 Responsibility

For the purposes of Rule 19.2 of the Takeover Code only, the directors of Waverton (whose names are set out in paragraph 1.2 of this Part 2) accept responsibility for the Waverton Information. To the best of their knowledge and belief, having taken all reasonable care to ensure that such is the case, the Waverton Information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

PART 3
ADDITIONAL INFORMATION

1 Responsibility

For the purposes of Rule 19.2 of the Takeover Code only, the Directors, whose names appear in paragraph 2.5 below, accept responsibility for the information contained in this document, other than the information: (i) relating to Waverton and the Waverton Concert Party, for which the directors of Waverton accept responsibility in accordance with paragraph 6 of Part 2 of this document; and (ii) which is included in this document otherwise than for the purpose of complying with the requirements of the Takeover Code in connection with the Rule 9 Waiver. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document for which they are responsible (as set out above) is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 Information on the Company

2.1 The Company was incorporated with liability limited by shares in Guernsey on 25 June 2015 and is registered under the Companies Law with registered number 60552 and with the name Alternative Liquidity Fund Limited.

2.2 The principal legislation under which the Company operates is the Companies (Guernsey) Law, 2008, as amended.

2.3 The registered and head office address of the Company is at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR, and its telephone number is +44 (0) 1481 737 600.

2.4 The address of the Company's website which discloses the information required by the Takeover Code is www.alternativeliquidtyfund.com

2.5 The Directors of the Company are:

- Quentin Spicer (Independent Non-Executive Chairman)
- Anthony Pickford (Independent Non-Executive Director)
- Dr Richard Berman (Independent Non-Executive Director)

3 Interests, dealings and Takeover Code disclosures

3.1 For the purposes of this document:

a. references to persons "**acting in concert**" comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:

i. a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or

control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);

- ii. a company with any of its directors (together with their close relatives and the related trusts of any of them);
 - iii. a company with any of its pension schemes and the pension schemes of any company covered in (i);
 - iv. a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;
 - v. a person, the person's close relatives, and the related trusts of any of them, all with each other;
 - vi. the close relatives of a founder of a company to which the Takeover Code applies, their close relatives, and the related trusts of any of them, all with each other;
 - vii. a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader);
 - viii. directors of a company which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent; and
 - ix. shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies, or who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Takeover Code applies.
- b. an "**arrangement**" includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- c. a "**connected adviser**" has the meaning attributed to it in the Takeover Code;
- d. "**connected person**" has the meaning attributed to it in the UK Companies Act;
- e. "**control**" means an interest, or aggregate interests, of shares in the capital of a company carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holdings give de facto control;
- f. "**dealing or dealt**" includes:
- i. acquiring or disposing of relevant securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting

- rights allocated to relevant securities, or of general control of relevant securities;
- ii. taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option in respect of any relevant securities;
 - iii. subscribing or agreeing to subscribe for relevant securities (whether in respect of new or existing securities);
 - iv. exercising or converting any relevant securities carrying conversion or subscription rights;
 - v. acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to relevant securities;
 - vi. entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;
 - vii. redeeming or purchasing of, or taking or exercising an option over, any of its own relevant securities by the offeree company or an offeror; and
 - viii. any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- g. **“derivative”** includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;
- h. **“disclosure date”** means the Latest Practicable Date;
- i. **“disclosure period”** means the 12 month period prior to the publication of this document;
- j. an **“exempt fund manager”** means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Takeover Code;
- k. an **“exempt principal trader”** means a person who is recognised by the Panel as an exempt principal trader for the purposes of the Takeover Code;
- l. being **“interested”** in relevant securities includes where a person:
- i. owns relevant securities; or
 - ii. has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them; or
 - iii. by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

- iv. is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- m. **"relevant Company securities"** means the Existing Shares in Alternative Liquidity Fund Limited (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- n. **"relevant Waverton Concert Party securities"** means shares or units in Waverton or any member of the Waverton Concert Party (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (included traded options) in respect thereof;
- o. **"relevant securities"** means relevant Waverton Concert Party securities or relevant Company securities; and
- p. **"short position"** means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

3.2 As at the close of business on the disclosure date, the Directors held positions in respect of the following relevant securities:

Director	Number of relevant securities held at disclosure date	Percentage of relevant securities at disclosure date
Quentin Spicer	0 Existing Shares	0.00%
Anthony Pickford	100,000 Existing Shares	0.07%
Dr Richard Berman	0 Existing Shares	0.00%

3.3 As at the close of business on the disclosure date, and save as disclosed in this document:

- (a) none of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) nor any person acting in concert with the Company had any interest in, or right to subscribe for, or had any short position in relation to, any relevant Company securities;
- (b) neither the Company nor any of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons or any person acting in concert with the Company) had an interest in or right to subscribe for, or had any short position in relation to, any relevant Waverton Concert Party securities;
- (c) neither the Company nor any person acting in concert with the Company had borrowed or lent any relevant Company securities save for any borrowed shares which have either been on-lent or sold.

3.4 There are no arrangements known to the Company the operation of which may at a subsequent date result in a change of control of the Company.

4 Major Shareholders

As at the Latest Practicable Date, in so far as known to the Company, the following persons had an interest in the Company's issued Existing Shares which is notifiable under Chapter 5 of the FCA's Disclosure Guidance and Transparency Rules:

Shareholder	Number of Existing Ordinary Shares held	Percentage of voting rights
J.P. Morgan Securities	35,331,365	24.09%
LIM Advisors	25,162,215	17.16%
Autonomy Capital	12,663,103	8.63%

5 Directors' letters of appointment

All of the Directors are non-executive directors. None of the Directors has a service contract 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 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 receives any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. The fees payable to the Directors pursuant to their letters of appointment are £35,000 per annum to the Chairman, £30,000 to Mr Pickford as chairman of the Audit and Risk Committee and £30,000 per annum to Dr Berman. None of the letters of appointment has been entered into or amended within six months prior to the date of this document.

6 Middle market quotations

The following table sets out the middle market quotations for an Existing Share (as derived from the Daily Official List of London Stock Exchange) for the first Business Day of each of the six months immediately preceding the date of this document and on the Latest Practicable Date:

Date	Price per Existing Share (US Dollars)
1 September 2021	0.0655
1 October 2021	0.0665
1 November 2021	0.069
1 December 2021	0.074
4 January 2022	0.0755
1 February 2022	0.07
7 February 2022	0.07

7 Material contracts

The following are the only material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of this document.

7.1 Investment advisory agreement

An investment advisory agreement between the Company and Hindsight Solutions Limited ("**Hindsight**") dated 4 December 2020 pursuant to which Hindsight has agreed to provide the Company with investment recommendations and investment advice in respect of the Existing Portfolio, provide day-to-day operational oversight to support the effective operation of the Company and provide marketing services to the Company.

Hindsight is entitled to receive a monthly retainer fee of £23,000 and a realisation fee of 5 per cent. of the cash distribution to Existing Shareholders (calculated before cost of distribution).

The investment advisory agreement may be terminated by either party on three months' written notice to the other, or immediately upon the occurrence of certain cause matters.

The investment advisory agreement is governed by the laws of England and Wales.

7.2 Administration agreement

An administration agreement with Sanne Fund Services (Guernsey) Limited ("**Sanne**") (formerly named Praxis Fund Services Limited) dated 14 July 2015 pursuant to which Sanne provides day-to-day administration of the Company and acts as secretary and administrator to the Company providing services including maintenance of accounts, preparing interim and annual accounts of the Company and calculating the net asset value of the Shares.

Sanne is entitled to receive a fee, payable monthly in arrear, at the rate of 0.075 per cent. per annum of the net assets of the Company, subject to a minimum fee of £81,360 per annum.

Sanne may delegate the whole or any part of its duties and responsibilities to an affiliate. However, such delegation does not affect the liability of Sanne 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' written notice. The administration agreement may be terminated immediately on the occurrence of certain events, including insolvency and material, unremedied breach.

Sanne 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 Sanne.

7.3 Registrar agreement

A registrar agreement with Link Market Services (Guernsey) Limited (the "**Registrar**") dated 17 September 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 £5,500 per annum.

The registrar agreement is governed by the laws of Guernsey, and may be terminated by either party giving not less than 6 months' written notice to the other party and is subject to earlier

termination on the occurrence of certain events, including insolvency and material, unremedied breach.

Pursuant to the registrar agreement, the Registrar and its affiliates and their respective directors, officers, employees and agents have the benefit of an indemnity from the Company 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, negligence, or wilful default of any party seeking indemnity under the agreement.

7.4 Custody agreement

A custody agreement with Citibank, N.A. (London Branch) (the "**Custodian**") dated 24 July 2015 pursuant to which the Custodian provides custody services to the Company in respect of the Existing Portfolio.

The Custodian may appoint sub-custodians to hold the assets of the Company.

The Custodian has the benefit of an indemnity from the Company against liabilities arising in the absence of the Custodian's or any agent's failure to satisfy its obligations of due skill, care and diligence under the custody agreement.

The Custodian is entitled to a quarterly fee at the rate of 0.035 per cent. per annum of the net assets of the Company subject to a minimum fee of US\$70,000 per annum.

The custody agreement may be terminated by either party serving on the other party 60 days' written notice.

8 Significant change

Save as set out below, there has been no significant change in the financial or trading position of the Company since 30 June 2021 (being the end of the last financial year of the Company for which audited financial information has been published):

- following receipt of a distribution of US\$2.59 million from one of the Company's underlying investments, the Company made a distribution of 1.5 cents per Existing Share to Existing Shareholders on 3 December 2021, totalling US\$2,199,655.81.

9 Additional disclosure required by the Takeover Code

As at the disclosure date there are no relationships (personal, financial or commercial), arrangements or understandings between any member of the Waverton Concert Party and Cenkos or any person who is, or is presumed to be, acting in concert with Cenkos.

10 Consent

Cenkos has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and in the context in which it appears.

11 Documents available for inspection

11.1 Copies of the following documents relating to the Company will be made available for inspection during normal business hours on weekdays (public holidays excepted) free of charge from the Company's registered office at Sarnia House, Le Truchot,

St Peter Port, Guernsey GY1 1GR and online at www.alternativeliquidityfund.com for the period from the date of this document until the Extraordinary General Meeting:

- (a) the memorandum of incorporation and current articles of incorporation of the Company and the New Articles;
- (b) the published audited accounts of Alternative Liquidity Fund for the two financial years ended 30 June 2021 and 30 June 2020. These accounts have been incorporated into this document by reference to the above website in accordance with Rule 24.15 of the Takeover Code;
- (c) the letter relating to the consent of Cenkos referred to in paragraph 10 above; and
- (d) this document.

11.2 Copies of the following documents relating to Waverton will also be made available by the Company for inspection during normal business hours on weekdays (public holidays excepted) free of charge from the Company's registered office at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR and online at www.alternativeliquidityfund.com for the period from the date of this document until the Extraordinary General Meeting:

- (a) the certificate of incorporation, memorandum of association and articles of association of Waverton; and
- (b) the annual report and accounts of Waverton for the fifteen months ended 31 December 2020 and for the financial year ended 30 September 2019. These accounts have been incorporated into this document by reference to the above website in accordance with Rule 24.15 of the Takeover Code.

11.3 Any Existing Shareholder, person with information rights or other person to whom this document is sent may request a copy of each of the documents set out above in this paragraph 11 in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to the Company by calling Sanne Fund Services (Guernsey) Limited on +44(0)1481 737 600 (calls to this number are charged at standard call rates). Lines are open 9.30 a.m. to 5.00 p.m. Requests can also be made by writing to Alternative Liquidity Fund Limited, Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR. All valid requests will be dealt with as soon as possible and hard copies mailed no later than two Business Days following the receipt of such requests.

Dated 9 February 2022

PART 4

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires;

Admission	admission of the Ordinary Shares to trading on the Specialist Fund Segment becoming effective in accordance with the Admission and Disclosure Standards
Admission and Disclosure Standards	the Admission and Disclosure Standards published by the London Stock Exchange as amended from time to time
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
Cenkos	Cenkos Securities plc, the UK financial adviser to the Company
Companies Law	the Companies (Guernsey) Law, 2008, as amended
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 28 February 2022, or any adjournment thereof, notice of which is set out at the end of this document
Existing Portfolio	the Company's portfolio of assets attributable to the Existing Shares
Existing Shareholder	a holder of Existing Shares
Existing Shares	the issued ordinary shares of US\$0.01 each in the capital of the Company which will, on Admission, be re-designated as Realisation Shares
FCA	the UK Financial Conduct Authority
Form of Proxy	the form of proxy accompanying this document for use by Existing Shareholders in connection with the EGM
Guernsey	the Island of Guernsey
Independent Shareholders	shareholders who are independent of a person who would otherwise be required to make a general offer under Rule 9 and any person acting in concert with him or her (as defined by the Takeover Code)
Initial Issue	the proposed issue of new Ordinary Shares by the Company by way of an initial placing, offer for subscription and intermediaries offer

Latest Practicable Date	7 February 2022, being the latest practicable date prior to publication of this document
Link Group	a trading name of Link Market Services Limited
London Stock Exchange	London Stock Exchange Plc
New Articles	the articles of incorporation of the Company to be adopted on Admission
Official List	the official list of the FCA
Ordinary Portfolio	the new portfolio of assets to be attributable to the new Ordinary Shares in accordance with the Articles
Ordinary Shareholder	a holder of Ordinary Shares
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company to be issued pursuant to the Initial Issue designated as such and having the rights and being subject to the restrictions specified in the Articles
Panel	The Panel on Takeovers and Mergers
Realisation Shareholder	a holder of Realisation Shares
Realisation Shares	the existing ordinary shares of US\$0.01 each in the capital of the Company which shall be designated as Realisation Shares on Admission and having the rights and being subject to the restrictions specified in the Articles
Rule 9	Rule 9 of the Takeover Code
Rule 9 Waiver	the waiver agreed by the Panel, conditional upon the approval by the Independent Shareholders of the Waiver Resolution at the Extraordinary General Meeting, of the obligation of any member of the Waverton Concert Party to make a general offer under Rule 9 which would otherwise arise as a consequence of the aggregate investment in the Ordinary Shares by members of the Waverton Concert Party pursuant to the Initial Issue up to a maximum of 49.9% of the voting rights in the Company on Admission
Shareholder	an Existing Shareholder and/or an Ordinary Shareholder, as the context requires
Shares	Existing Shares and/or Ordinary Shares, as the context requires
Specialist Fund Segment	the specialist fund segment of the main market of the London Stock Exchange
Takeover Code	the City Code on Takeovers and Mergers issued by the Panel, as amended or supplemented from time to time

UK	the United Kingdom
UK Companies Act	the Companies Act 2006 of the UK
Waiver Resolution	the ordinary resolution of the Independent Shareholders (taken on a poll) to be proposed at the Extraordinary General Meeting to approve the waiver by the Panel of the obligations that would otherwise apply to the Waverton Concert Party or any member of it to make a general offer for the Company pursuant to Rule 9 of the Takeover Code as a result of the percentage of interests in Ordinary Shares which may be held by the members of the Waverton Concert Party as a consequence of their aggregate investment in the Ordinary Shares pursuant to the Initial Issue up to a maximum of 49.9 per cent. of the voting rights in the Company
Waverton	Waverton Investment Management limited acting as agent for its discretionary managed clients including the Waverton Discretionary Mandates
Waverton Concert Party	Waverton, persons acting in concert with Waverton and the Waverton Discretionary Mandates
Waverton Discretionary Mandates	the investment mandate managed on a discretionary basis for private clients, funds and charities that will, in their capacity only as clients of Waverton, invest in the Ordinary Shares as part of the Initial Issue
Waverton Information	the information in the following sections of this document (in each case insofar as such information relates to Waverton and the Waverton Discretionary Mandates and the persons set out in paragraph 1.2 of Part 2 and their immediate families, related trusts and persons connected with them): paragraphs 1 and 2 of Part 1 (Letter from the Chairman) and Part 2 (Information on Waverton and the Waverton Concert Party)

NOTICE OF EXTRAORDINARY GENERAL MEETING
ALTERNATIVE LIQUIDITY FUND LIMITED

*(Incorporated in 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 Monday 28 February 2022 to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

THAT the waiver granted by the Panel on Takeovers and Mergers, on the terms described in the circular issued by the Company to its shareholders dated 9 February 2022 which contains this notice of meeting (the "**Circular**"), of the obligation that would otherwise arise on any member of the Waverton Concert Party (as defined in the Circular) under Rule 9 of the City Code on Takeovers and Mergers to make a general offer to the shareholders of the Company for the entire issued and to be issued ordinary share capital of the Company, as a result of the interests in Ordinary Shares (as defined in the Circular) that will be held by members of the Waverton Concert Party, up to a maximum of 49.9% of the voting rights in the Company on Admission (as defined in the Circular), following their aggregate investment in the Ordinary Shares pursuant to the Initial Issue (as defined in the Circular) be and is hereby approved.

By order of the Board

Sanne Fund Services (Guernsey) Limited
Company Secretary

Registered office

Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

9 February 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. In order to comply with the City Code on Takeovers and Mergers and the requirements of the Panel, the resolution will be taken on a poll. Only Independent Shareholders will be able to exercise the voting rights in relation to the resolution.
- 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 service 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 2009.
- 11 Only Shareholders registered in the register of Shareholders of the Company by close of business on 24 February 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 7 March 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 7 February 2022, the Company's issued share capital comprised 146,644,387 Existing Shares carrying one vote each. Therefore, the total voting rights in the Company at 7 February 2022 were 146,644,387 votes.