

KELSO GROUP HOLDINGS PLC

Registered in England and Wales No. 11504186 and incorporated on 7th August 2018

Registration Document

This supplement (the “**1st Supplementary Registration Document**”) to the registration document dated 18 January 2023 (as supplemented, the “**Registration Document**”), which constitutes a registration document for the purposes of Article 6(3) of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”), constitutes a supplementary prospectus for the purposes of Article 23 of the UK Prospectus Regulation.

Terms defined in the Registration Document have the same meanings when used in this 1st Supplementary Registration Document. This 1st Supplementary Registration Document is supplemental to, and should be read in conjunction with, the Registration Document and the documents incorporated by reference therein.

This 1st Supplementary Registration Document has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), as competent authority under the UK Prospectus Regulation. The FCA only approves this 1st Supplementary Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is the subject of this 1st Supplementary Registration Document. With effect from the date of this 1st Supplementary Registration Document the information appearing in, or incorporated by reference into, the Registration Document shall be supplemented in the manner described below.

Kelso Group Holdings plc (the “**Company**” or “**Kelso**”), and its Directors, accept responsibility for the information contained in this 1st Supplementary Registration Document. To the best of the knowledge of the Company and its Directors the information contained in this 1st Supplementary Registration Document is in accordance with the facts and this 1st Supplementary Registration Document makes no omission likely to affect its import.

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company and its Directors, as to the accuracy, completeness, verification or sufficiency of the information contained herein and nothing in this document is, or may be relied upon as, a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this document and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. Without limitation, the contents of the Company's website do not form part of this document and information contained therein should not be relied upon by any person. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this document or that the information contained herein is correct as of any time subsequent to its date.

This document does not constitute or form part of an offer to sell, or the solicitation of an offer to buy, securities to any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

Any securities referred to in this 1st Supplementary Registration Document and the Registration Document have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state of the United States, and may

not be offered or sold in the United States absent registration under the US Securities Act or an exemption from, or in transactions not subject to, the registration requirements of the Securities Act. The securities referred to in this 1st Supplementary Registration Document and the Registration Document have not been approved or disapproved by the US Securities and Exchange Commission or any other US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States. There will be no public offering of any securities referred to in this 1st Supplementary Registration Document and the Registration Document in the United States.

Important Notice

The distribution of this document in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been taken or will be taken to permit the possession or distribution of this document in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. Accordingly, neither this document nor any advertisement nor any offering material may be distributed or published in any jurisdiction, other than in the United Kingdom, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Purpose of the Supplementary Registration Document

The purpose of this 1st Supplementary Registration Document is to:

- incorporate by reference into the Registration Document the Kelso Annual Results 2022 (as defined below);
- following the publication of the Kelso Annual Results 2022, update the statement of no significant change;
- update certain Risk Factors relating to the Issuer;
- update certain information relating to the Issuer and its strategy;
- update certain information relating to the Board of Directors of the Issuer; and
- update certain general information relating to the Issuer.

Incorporation of Information by Reference

By virtue of this 1st Supplementary Registration Document the audited Annual Results 2022 of Kelso (the “**Kelso Annual Results 2022**”), which were published via the regulatory news service of the London Stock Exchange plc on 27 April 2023 which has been (1) previously published and (2) filed with the Financial Conduct Authority, shall be incorporated in, and form part of, the Registration Document.

For at least ten years from the date of the Registration Document, a copy of any or all of the information which is incorporated by reference in the Registration Document can be obtained from the website of Kelso at www.kelsopl.com and from the London Stock Exchange plc’s website at www.londonstockexchange.com/news.

If a document which is incorporated by reference in the Registration Document by virtue of this 1st Supplementary Registration Document itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Registration Document except where such information or other documents are specifically incorporated by reference in, or attached to, the Registration Document by virtue of this 1st Supplementary Registration Document.

Statement of No Significant Change

There has been no significant change in the financial position of Kelso since 31 December 2022 (the end of the last financial period for which the latest audited annual financial information of Kelso has been published).

Updating the Risk Factors set out in the Registration Document

The section entitled “*Risks Relating to the Company’s Business Strategy*” at pages 5 to 10 of the Registration Document shall be amended as follows:

By the deletion of the risk factor entitled “*Since its incorporation, the Company has no operating history and has not yet identified potential target companies or businesses for an Acquisition or Minority Acquisition.*”

By the insertion of the following risk factors so that they appear first and second in the list of risk factors:

“The Company has acquired a minority interest in THG plc which constitutes a significant part of its assets

The Company’s principal assets comprise interests in 8.0m shares in THG plc, either held directly, or by way of contracts for difference (“CFDs”). As a result, the value of the Company’s business is intrinsically linked to the performance and share price of THG plc. The price of the Ordinary Shares may be susceptible to changes as a result of changes to THG plc’s share price. If there is a downturn in the performance of THG plc, any knock-on effect to THG plc’s share price could result in a reduction in the value of the Ordinary Shares held by Kelso shareholders. Further, because the Company holds only a minority interest in THG plc, it will not have any ability to exert actual control or influence over THG plc. The Company will continue to implement its strategy as set forth in the Registration Document in respect of THG plc.

The Company has acquired an interest in shares in THG plc by way of a contract for difference

The Company has taken positions in THG plc by way of a contract for difference. It therefore does not have a direct holding of ordinary shares in THG plc in respect of those interests and will not have the benefit of the rights attaching to those shares. Further, it is exposed to risk in any increase or decrease in the share price of THG plc. Its exposure in respect of such interests is purely of a financial nature, and it therefore will not be able to exercise any of the rights that it would enjoy as a shareholder of THG plc in connection with those interests.”

By the deletion of the final paragraph of the risk factor entitled “*The Company may be unable to complete an Acquisition or Minority Acquisition or to fund the operations of the target business if it does not obtain additional funding.*” and the insertion in its place of the following:

“Although the Company will receive the Net Proceeds the Directors believe that the Company is likely to issue a substantial number of additional Ordinary Shares to pursue its strategy, whether that is acquiring further interests in THG plc, or looking at different targets if it decides to exit its investment in THG plc. Any issuance of further Ordinary Shares could significantly dilute the interests of current shareholders and persons investing in the Company pursuant to this Prospectus.”

Updating information relating to the Company’s business and strategy

The section entitled *Business Strategy* on page 13 of the Registration Document shall be amended by the deletion of the third paragraph and insertion of the following:

“Current Target Strategy

The Company has acquired an interest in 8.0m shares in THG plc held as a combination of direct equity or by way of a contract for difference. It will seek to implement its strategy following completion of a Minority Acquisition in respect of THG plc, as set forth in the Registration Document (i.e. continue to seek to implement change in THG plc through engagement with THG plc in order to unlock trapped value for investors). It will seek to use the proceeds of a further issue of Ordinary Shares to close out its position

under the contracts for difference it holds in relation to THG plc shares, as well as to fund future acquisitions, internal or external growth and expansion, and working capital in relation to its continued operations.”

Paragraphs 4 to 7 of the section entitled Business Strategy on page 14 of the Registration Document shall be retained under a sub-heading “Broader Strategy and Investment Ethos”.

The section entitled Business Strategy on pages 13 to 14 of the Registration Document shall be amended by the deletion of the eighth paragraph and insertion of the following:

“Compliance Framework

The Company has in place adequate procedures, systems and controls to manage compliance with its regulatory obligations, which are appropriate to the Company as it operates currently. The Company regularly monitors and reviews these procedures, systems and controls. Following its recent acquisition of CFDs in respect of shares in THG plc, the Company has revised its procedures, systems and controls, such that it is managing the risk that it is exposed to through its holding of a minority interest in shares of THG plc.

The Company has a written investment policy and a key tenet of this policy centres around its compliance framework. This includes how the Company manages its compliance with MAR. In particular, it has implemented specific procedures for identifying inside information in respect of its investment in THG plc, and the persons responsible for identification and control of information. Its executive management, John Goold, Mark Kirkland and Jamie Brooke, use their extensive experience of managing MAR-related risks over the past decade in order to identify inside information. The executive management consult each other on matters concerning the identification of inside information, as well as calling on the knowledge and expertise of its non-executive directors. In particular, Sir Nigel Knowles has decades of experience advising issuers on matters of corporate governance. The Company also utilises its legal and corporate advisers to provide guidance on matters around the management of inside information.

Once identified, the Company implements different controls based on the particular facts and circumstances surrounding the nature of that inside information. The Company has a system for monitoring information announced to the market by THG plc, and ensures that it makes an appropriate assessment of that information and whether an announcement by the Company is appropriate in order to update its investors and the market generally. In circumstances where it might obtain inside information relating to THG plc (or any other target in which it may hold a minority interest in the future), it will cease to deal in securities relating to that issuer until such time as the inside information ceases to be inside information, or that the Company is otherwise entitled to recommence dealing. The executive management will also consider the necessity and timing of any disclosure in respect of inside information relating to its own operations or those of THG plc and will involve the non-executive directors and its external advisers as appropriate in deciding whether an announcement is required.

The Company’s investment policy includes conditions, limitations and restrictions on the directors from dealing in the shares of the Company or any target identified in specific situations. It also requires the directors to declare any situation in which they become an insider in respect of any investments held by the Company or approved by the Board for purchase, as well as any conflicts of interests.

The Company also monitors information announced by THG plc for anything that may be material to its own investors, whether or not that information is inside information. The members of the executive management will identify information which they deem may be material and discuss with the other executives to make an informed assessment of that information. They will involve such advisors as they deem necessary or appropriate given the nature of the information, and determine whether an announcement is required in respect of that information.

Given the Company’s simple organisational structure it is not appropriate to devolve any function of its policy on the identification and control of inside information further than as set out above.”

Updating information relating to the Operating and Financial Review

Paragraph 8 of Part I (*Operating and Financial Review*) shall be deleted replaced in its entirety as follows:

“The Company’s initial source of cash was the Founders’ subscription of GBP 85,000 and the GBP 780,500 raised following an offer for subscription on 30 June 2021. The Company completed a Placing on 24 January 2023 raising a gross amount of GBP 3,000,000. The Company has acquired interests in shares in THG plc. As at 28th February 2023 (unaudited), the Company had resources of GBP 583,379. The Company has already expended GBP 90,000 towards the creation and approval of this prospectus and eligibility for listing. The Company had a prospectus on its IPO approved by the Financial Conduct Authority on 14th May 2021 and a further prospectus in respect of a placing and admission to the Official List and to trading on the main market of the LSE was approved on 18th January 2023, both of which are available on the Company’s website. The Net Proceeds will be held in an interest-bearing account and will be used for general business purposes, including paying the expenses of the Placing and Admission and the Company’s ongoing costs and expenses, including due diligence costs and other costs incurred in relation to the Transaction.

The Directors have agreed that in order to preserve the Company’s capital, they will continue not to receive fees for their ordinary duties for the foreseeable future. Directors will be permitted to claim reimbursement from the Company for reasonable expenses incurred in connection with the business and the Board may use its discretion to make a payment to a Director in the event that s/he performs duties that are extraordinary, for example if significant time is spent in the completion of due diligence thereby saving professional fees that might otherwise be incurred.

The Company intends to use the Net Proceeds to finance future Transactions. It is intended that an Acquisition or Minority Acquisition will be paid for using new Ordinary Shares either solely or in conjunction with cash, should the Board consider it appropriate.”

Updating information relating to the Capital Resources

The first sub-paragraph of Paragraph 9 of Part I (*Capital Resources*) shall be deleted and replaced as follows:

“The resources of the Company at 31st December 2022 were GBP 332,971. The Company subsequently raised GBP 3,000,000 (gross) through a placing on 24 January 2023, which the Company used in part to acquire interests in shares in THG plc. The resources of the Company at 28th February 2023 were GBP 583,379. The Company is of the opinion that, taking into account the Net Proceeds, the working capital available to the Company is, for at least the next twelve months from the date of this document, sufficient for its present requirements.

The Company intends to raise further funds up to an amount of GBP 3,000,000. The Net Proceeds of the issue will be between GBP 2,800,000 and GBP 2,850,000. The Directors intend that the capital resources available to the Company after fund raising will be used to fund a Transaction and the costs in respect of any Transaction, including legal, technical and operational evaluation.”

Updating information relating to the Board of Directors

The table on page 12 of the Registration Document setting out the names of the Directors shall be amended by the deletion of Adam Christian Rhodes, Gordon Alan Harvey and Jon Peter Pither, and the inclusion of Sir Nigel Knowles and David John Charters.

The details of Directors set forth on pages 18 and 19 of the Registration Document shall be amended by deletion of the details relating to Adam Christian Rhodes and Jon Peter Pither, and the inclusion of the following:

“Sir Nigel Knowles, aged 67 – Director and Chairman

Sir Nigel Knowles is currently the CEO of publicly listed international law firm DWF Group Plc, having previously served as Chairman from September 2017 to May 2020. Prior to joining DWF, Sir Nigel spent

over 38 years at DLA Piper, a global law firm, where he was Global Co-Chairman and Senior Partner, and, previously, Global Co-CEO and Managing Partner from 1996 to 2015. During his tenure as leader of DLA Piper and its legacy firms, revenues of DLA Piper grew from £52 million to in excess of £1.5 billion. Sir Nigel served as Chairman of Sheffield City Region LEP for three years from 1 January 2016 to 31 December 2018, whereupon he was appointed the Mayor's Special Advisor (Trade & Investment) until 2021. He also held the Office of High Sheriff of London from 2016-2017, the oldest non-ecclesiastical Royal appointment. Sir Nigel received a knighthood in 2009 in recognition of his services to the legal industry.

David John Charters, aged 63 – Director

David is a former diplomat turned investment banker, venture capitalist and author. He was previously a Director of SG Warburg Securities and a Managing Director of Deutsche Bank. Today he sits on a number of boards mostly in the finance, security and business intelligence sectors, as well as in the charity and not for profit world."

Update to the Company's auditors

The Company has decided to replace its statutory auditors. RPG Crouch Chapman LLP have therefore resigned as auditors of the Company and have been replaced by Royce Peeling Green Limited. All references to RPG Crouch Chapman LLP as auditors in the Registration Document should be to Royce Peeling Green Limited. RPG Crouch Chapman LLP will continue as reporting accountants.

Updating information relating to the Company's Material Contracts

The Company has entered into the following material contracts since the date of the Registration Document:

CFDs in respect of 5,234,000 ordinary shares in THG plc

The Company holds an interest in 5,234,000 ordinary shares in THG plc by way of contracts for difference, further details of which are set out in the following table:

Date of Purchase	Number of Securities Purchased	Opening Price per Security (GBP)
28 March 2023	601,000	60.9197
29 March 2023	300,000	61.14
29 March 2023	199,511	63.5912
29 March 2023	185,000	63.4514
30 March 2023	214,489	63.4514
30 March 2023	475,000	67.9
3 April 2023	1,000,000	69.25
4 April 2023	459,000	69.3
5 April 2023	1,195,010	64.6
13 April 2023	104,990	64.7846
20 April 2023	500,000	85.4193
Total	5,234,000	

Other Information

To the extent that there is any inconsistency between any statement in this 1st Supplementary Registration Document and any other statement in or incorporated by reference in the Registration Document, the statements in this 1st Supplementary Registration Document will prevail.

Save as disclosed in this 1st Supplementary Registration Document no other significant new factor, material mistake or material inaccuracy relating to information included in the Registration Document has arisen or been noted, as the case may be, since the publication of the Registration Document.

The hyperlinks included in this 1st Supplementary Registration Document are included for information purposes only and the websites and their content are not incorporated into, and do not form part of, this 1st Supplementary Registration Document or the Registration Document.