

**THIS SECURITIES NOTE, THE REGISTRATION DOCUMENT AND THE SUMMARY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.**

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). Outside the United States, the Shares may be sold to persons who are not "U.S. Persons", as defined in and pursuant to Regulation S under the U.S. Securities Act ("U.S. Persons"). Any sale of Shares in the United States or to U.S. Persons may only be made to persons reasonably believed to be "qualified institutional buyers" ("QIBs"), as defined in Rule 144A under the U.S. Securities Act, that are also "qualified purchasers" ("QPs"), as defined in the U.S. Investment Company Act of 1940, as amended (the "U.S. Investment Company Act"). The Company will not be registered under the U.S. Investment Company Act, and investors in the Shares will not be entitled to the benefits of regulation under the U.S. Investment Company Act.

This Securities Note, the Registration Document and the Summary together which comprise a prospectus relating to HydrogenOne Capital Growth plc (the "Company") (the "Prospectus") has been approved by the Financial Conduct Authority (the "FCA") under the UK Prospectus Regulation and has been delivered to the FCA in accordance with Rule 3.2 of the Prospectus Regulation Rules. The Prospectus has been made available to the public as required by the Prospectus Regulation Rules.

The Prospectus has been approved by the FCA of 12 Endeavour Square, London E20 1JN, as the competent authority under the UK Prospectus Regulation. Contact information relating to the FCA can be found at <http://www.fca.org.uk/contact>.

The FCA only approves this Securities Note 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 issuer that is, or the quality of the securities that are, the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the securities.

The Prospectus is being issued in connection with the issue of up to 500 million Ordinary Shares and/or C Shares in one or more tranches throughout the period commencing on 26 September 2022 and ending on 25 September 2023 pursuant to the Share Issuance Programme.

Applications will be made for all of the Shares of the Company issued pursuant to each Issue under the Share Issuance Programme to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that any Admissions under the Share Issuance Programme will become effective and dealings will commence between 26 September 2022 and 25 September 2023. No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other stock exchange.

**ONLY THE COMBINED SECURITIES NOTE, REGISTRATION DOCUMENT AND SUMMARY COMPRISE, AND MAY BE RELIED UPON AS, THE PROSPECTUS.**

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# HYDROGENONE CAPITAL GROWTH PLC

*(Incorporated in England and Wales with registered number 13340859 and registered as an investment company under section 833 of the Companies Act)*

## SECURITIES NOTE

**Share Issuance Programme for up to 500 million Ordinary Shares and/or C Shares,**

**Admission to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities**

*Investment Adviser*

**HydrogenOne Capital LLP**

*Sponsor, Financial Adviser and Bookrunner*

**Panmure Gordon (UK) Limited**

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The Company and each of the Directors, whose names appear on page 21 of this Securities Note, accept responsibility for the information contained in this Securities Note and the Summary. To the best of the knowledge of the Company and the Directors, the information contained in this Securities Note and the Summary is in accordance with the facts and this Securities Note and Summary makes no omission likely to affect their import.

**Prospective investors should read the entire Prospectus and, in particular, the section headed "Risk Factors" on pages 5 to 8 of this Securities Note and those set out in the Registration Document when considering an investment in the Company.**

Panmure Gordon (UK) Limited ("Panmure Gordon"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as sponsor, financial adviser and bookrunner for the Company and for no one else in relation to the Admission of any Shares pursuant to the Share Issuance Programme and the other arrangements referred to in this Securities Note. Panmure Gordon will not regard any other person (whether or not a recipient of this Securities Note) as its client in relation to the Admission of any Shares pursuant to the Share Issuance Programme and the other arrangements referred to in this Securities Note and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the Admission of any Shares pursuant to Shares, the Issue, the Share Issuance Programme, the contents of this Securities Note or any transaction or arrangement referred to in this Securities Note.

Apart from the responsibilities and liabilities, if any, which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder, Panmure Gordon makes no representation or warranty express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of this Securities Note, the Registration Document, the Summary or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the

Admission of any Shares pursuant to Placing-Only Issues or the Share Issuance Programme. Panmure Gordon (and its respective Affiliates, directors, officers and employees) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of this Securities Note, the Registration Document, the Summary or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Admission of any Shares pursuant to Placing-Only Issues or the Share Issuance Programme.

Investors should rely only on the information contained in the Prospectus. No person has been authorised to give any information or make any representations other than those contained in the Prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the AIFM, the Investment Adviser, or Panmure Gordon. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, neither the delivery of this Securities Note nor any subscription for or purchase of Shares pursuant to the Issue and/or the Share Issuance Programme, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of the Prospectus.

Panmure Gordon and its respective Affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for the Company, the AIFM and/or the Investment Adviser, for which it may have received customary fees. Panmure Gordon and its respective Affiliates may provide such services to the Company, the AIFM and/or the Investment Adviser and any of their respective Affiliates in the future.

In connection with the Issue and/or the Share Issuance Programme, Panmure Gordon and any of its respective Affiliates, acting as investors for its or their own accounts, may subscribe for, or purchase, Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in the Shares and other securities of the Company or related investments in connection with the Issue and/or the Share Issuance Programme or otherwise. Accordingly, references in this Securities Note to Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Panmure Gordon and its respective Affiliates acting as an investor for its or their own account(s).

Neither Panmure Gordon nor any of their respective Affiliates intends to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, Panmure Gordon may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements, in connection with which Panmure Gordon may, from time to time, acquire, hold or dispose of shareholdings in the Company.

The contents of the Prospectus are not to be construed as legal, financial, business, investment or tax advice. Investors should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of Shares. Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, the AIFM, the Investment Adviser, Panmure Gordon nor any of their respective representatives is making any representation to any offeree or purchaser of Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

This Securities Note may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such offer or solicitation.

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

#### **NOTICE TO U.S. AND OTHER OVERSEAS INVESTORS**

This Securities Note may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, Panmure Gordon or to any person to whom it is unlawful to make such offer or solicitation. The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Australia, the Republic of South Africa or Japan. Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Australia, the Republic of South Africa or Japan or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan.

**The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law or regulation.**

Further, the AIFM has made the notifications or applications and received, where relevant, approvals for the marketing of the Shares to "professional investors" (as defined in the EU AIFM Directive) in the following Relevant Member States: Belgium, Luxembourg and the Netherlands. Notwithstanding any other statement in the Prospectus, the Prospectus should not be made available to any investor domiciled in any Relevant Member State other than those cited above. Prospective investors domiciled in the EEA that have received the Prospectus in any Relevant Member States other than those cited above should not subscribe for Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the AIFM has confirmed that it has made the relevant notification or applications in that Relevant Member State and is lawfully able to market Shares into that Relevant Member State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor's own initiative.

Notwithstanding that the AIFM may have confirmed that it is able to market Shares to professional investors in a Relevant Member State, the Shares may not be marketed to retail investors (as this term is understood in the EU AIFM Directive as transposed in the Relevant Member States) in that Relevant Member State unless the Shares have been qualified for marketing to retail investors in that Relevant Member State in accordance with applicable local laws. At the date of the Prospectus, the

Shares are not eligible to be marketed to retail investors in any Relevant Member State. Accordingly, the Shares may not be offered, sold or delivered and neither the Prospectus nor any other offering materials relating to such Shares may be distributed or made available to retail investors in those countries.

Copies of this Securities Note will be available on the Company's website ([www.hydrogenonecapitalgrowthplc.com](http://www.hydrogenonecapitalgrowthplc.com)) and the National Storage Mechanism of the FCA at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Dated: 26 September 2022

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## RISK FACTORS

Investment in the Shares should not be regarded as short-term in nature and involves a degree of risk. Accordingly, investors should consider carefully all of the information set out in this Securities Note and the risks attaching to an investment in the Shares including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to an investment in the Shares at the date of this Securities Note. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Securities Note, may also have an adverse effect on the performance of the Company and the value of the Shares. Investors should review this Securities Note, as well as the information contained in the Registration Document (including the section entitled “Risk Factors”), carefully and in its entirety and consult with their professional advisers before making an application to participate in any Placing-Only Issue.

As required by the UK Prospectus Regulation, the risk that the Directors consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence, has been set out first. Given the forward-looking nature of the risks, there can be no guarantee that any such risk is, in fact, the most material or the most likely to occur. Investors should, therefore, review and consider each risk.

### RISKS RELATING TO THE SHARES

***The Shares may trade at a discount to the Net Asset Value per Share and Shareholders may be unable to realise their investments through the secondary market at the Net Asset Value per Share***

The Shares may trade at a discount to the Net Asset Value per Share for a variety of reasons, including adverse market conditions, a deterioration in investors’ perceptions of the merits of the Company’s investment strategy and investment policy, an excess of supply over demand in the Ordinary Shares, and to the extent investors undervalue the activities of the Company and/or the AIFM and/or the Investment Adviser.

While the Directors may seek to mitigate any discount to the Net Asset Value per Share through such discount management mechanisms as they consider appropriate, there can be no guarantee that they will do so or that such mechanisms will be successful.

***The Shares carry no rights of redemption or repurchase***

Shareholders have no right to have their Shares redeemed or repurchased by the Company at any time. While the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in the paragraph titled “Share Capital Management” in Part 2 of the Registration Document, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors to do so. Shareholders wishing to realise their investment in the Company will normally therefore be required to dispose of their Shares through the secondary market. Accordingly, Shareholders’ ability to realise their investment at Net Asset Value per Share at all is dependent on the existence of a liquid market for the Shares.

***The Company may issue additional Shares that dilute existing Shareholders***

Subject to legal and regulatory requirements, the Company may issue additional Shares. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the existing Ordinary Shares to decline. Furthermore, although Ordinary Shares may not be issued at a discount to their prevailing Net Asset Value per Ordinary Share (unless they are first offered pro rata to existing Shareholders, or the issuance is otherwise authorised by Shareholders), the relative voting percentages of existing holders of Ordinary Shares may be diluted by further issues of Ordinary Shares.

***INEOS Energy may be able to exert significant influence over the Group, its management and its operations***

INEOS Energy has an ongoing right to appoint a Director and currently holds 19.4 per cent. of the Ordinary Shares in issue. Accordingly, INEOS Energy is able to exercise influence over the Group's management and operations and over its Shareholders' meetings, such as in relation to the payment of dividends, the issuance of further equity and the appointment of Directors and other matters. The Company cannot give any assurances that the interests of INEOS Energy will align with the interests of purchasers of the Shares.

Furthermore, INEOS Energy's ownership may delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company), deprive Shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company and affect the liquidity of the Shares. Each of these could have a material adverse effect on the market price of the Shares.

***Counterparty credit risk***

Although the Group will generally only hold its uninvested cash (excluding operational cash) with banks or other counterparties having a single –A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency, or in one or more similarly-rated money market or short-dated debt funds, a default by the bank or losses on the money market or short-dated debt fund would adversely affect the Company.

***The market price of the Shares may rise or fall rapidly***

General movement in local and international stock markets, prevailing and anticipated economic conditions and interest rates, investor sentiment and general economic conditions may all affect the market price of the Shares. To optimise returns, Shareholders may need to hold the Ordinary Shares for the long term and therefore the Ordinary Shares are not suitable for short term investment.

***The Shares are subject to significant transfer restrictions for investors in certain jurisdictions as well as forced transfer provisions***

The Shares have not been registered and will not be registered in the United States under the U.S. Securities Act or under any other applicable securities laws. Moreover, offers and sales of the Shares are only being made outside the United States to non-U.S. Persons (as defined in Regulation S under the U.S. Securities Act), in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S and in the United States or to U.S. Persons only to persons reasonably believed to be QIBs that are also QPs.

If at any time the holding or beneficial ownership of any Shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under section 3(42) of ERISA or the U.S. Tax Code; or (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to register or qualify under the U.S. Investment Company Act, and/or U.S. Investment Advisers Act of 1940, as amended and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and/or any laws of any state of the U.S. or other jurisdiction that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "foreign private issuer" under the Exchange Act; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the U.S. Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder; or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, including the Company becoming subject to any withholding tax or reporting obligation (including by reason of the failure of the Shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligations), the Directors may require the holder of such Shares to dispose of such Shares and, if the Shareholder does not

sell such Shares, may dispose of such Shares on their behalf. These restrictions may make it more difficult for a U.S. Person to hold and Shareholders generally to sell the Shares and may have a material adverse effect on the market value of the Shares.

***The Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules***

The Company has not been and does not intend to become registered with the U.S. Securities and Exchange Commission as an “investment company” under the U.S. Investment Company Act and related rules. The U.S. Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies none of which will be applicable to the company or its investors. However, if the Company were to become subject to the U.S. Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the U.S. Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect the operating results and financial performance of the Company. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the U.S. Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity and shareholders in that entity may be entitled to withdraw their investment.

***The Company may be treated as a passive foreign investment company***

The Company may be treated as a “passive foreign investment company” (often referred to as a “PFIC”) for U.S. federal income tax purposes, which could have adverse consequences on U.S. investors. If the Company is classified as a PFIC for any taxable year, holders of Shares that are U.S. taxpayers may be subject to adverse U.S. federal income tax consequences. Further, prospective investors should assume that a “qualified electing fund” election, which, if made, could serve as an alternative to the general PFIC rules and could reduce any adverse consequences to U.S. taxpayers if the Company were to be classified as a PFIC, will not be available because the Company does not intend to provide the information needed to make such an election. A “mark-to-market” election may be available, however, if the Shares are regularly traded. Prospective purchasers of Shares that are U.S. taxpayers are urged to consult with their own tax advisers concerning the U.S. federal income tax considerations associated with acquiring, owning and disposing of Shares in light of their particular circumstances.

***The ability of certain persons to hold Shares and make secondary transfers in the future may be restricted as a result of ERISA and other regulatory considerations***

Unless otherwise expressly agreed with the Company, each initial purchaser and subsequent transferee of Shares will be required to represent and warrant or will be deemed to represent and warrant that it is not a “benefit plan investor” (as defined in Section 3(42) of ERISA), and that it is not, and is not using assets of, a plan or other arrangement subject to provisions under applicable federal, state, local, non-U.S. or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Tax Code unless its purchase, holding and disposition of Shares does not constitute or result in a non-exempt violation of any such substantially similar law. In addition, under the Articles, the Board has the power to refuse to register a transfer of Shares or to require the sale or transfer of Shares in certain circumstances, including any purported acquisition or holding of Shares by a benefit plan investor.

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In order to avoid being required to register under the U.S. Investment Company Act, the Company has imposed significant restrictions on the transfer of Shares which may materially affect the ability of Shareholders to transfer Shares in the United States or to U.S. Persons.

Under the Articles, the Directors have the power to require the sale or transfer of Shares, or refuse to register a transfer of Shares, in respect of any non-qualified holder. In addition, the Directors may require the sale or transfer of Shares held or beneficially owned by any person who refuses to

provide information or documentation to the Company which results in the Company suffering US tax withholding charges.

***Shareholders will be exposed to exchange rate risk***

The Hydrogen Assets that the Group invests in, and the income derived from those Hydrogen Assets, is denominated in a number of currencies. The Ordinary Shares are denominated in Sterling, are traded on the premium segment of the London Stock Exchange's main market in Sterling and any dividends on the Ordinary Shares will be paid in Sterling. Any C Shares that are issued pursuant to the Share Issuance Programme will be denominated in Sterling.

Any investment into Shares by an investor in a jurisdiction whose principal currency is not Sterling will be exposed to the exchange rate between Sterling and the principal currency of their jurisdiction and any depreciation of Sterling in relation to such foreign currency will reduce the value of the investment in Shares in foreign currency terms. In addition, Shareholders in a jurisdiction whose principal currency is not the currency in which they receive dividends will be exposed to any changes in the exchange rate between the currency in which they receive their dividends and the principal currency of their jurisdiction from the moment the dividend is paid.

## IMPORTANT INFORMATION

### GENERAL

This Securities Note should be read in its entirety, along with the Summary and the Registration Document and any supplementary prospectus issued by the Company, before making any application for Shares.

Prospective investors should rely only on the information contained in this Securities Note (together with the Registration Document and any supplementary prospectus issued by the Company). No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares other than those contained in the Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Adviser or Panmure Gordon or any of their respective affiliates, officers, directors, members, employees or agents. Without prejudice to the Company's obligations under the UK Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules, and UK MAR, neither the delivery of the Prospectus nor any subscription for or purchase of Shares made pursuant to the Share Issuance Programme, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained in the Prospectus is correct at any time subsequent to, the date of the Prospectus.

Prospective investors should not treat the contents of the Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for Shares. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the Shares.

Apart from the liabilities and responsibilities (if any) which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Panmure Gordon nor any person affiliated with Panmure Gordon makes any representation, express or implied, nor accepts any responsibility whatsoever for, the contents of the Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it or on its behalf or on behalf of the Company or any other person in connection with the Company, the Shares, the Share Issuance Programme or any Admission. Panmure Gordon (together with their respective Affiliates) accordingly, to the fullest extent permitted by law, disclaim all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of the Prospectus or any other statement.

In connection with any Issue, Panmure Gordon and any of its affiliates, acting as investors for its or their own account(s), may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in the Shares and other securities of the Company or related investments in connection with any Issue or otherwise. Accordingly, references in the Prospectus to the Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Panmure Gordon and any of their affiliates acting as an investor for its or their own account(s). Neither Panmure Gordon nor any of their Affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, Panmure Gordon may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements in connection with which Panmure Gordon may from time to time acquire, hold or dispose of shareholdings in the Company.

All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's Articles which prospective investors should review. A summary of the Articles is contained in paragraph 3 of Part 3 of this Securities Note.

#### **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE UNITED STATES**

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Shares in the United States. The Shares are being offered or sold outside the United States to non-U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. Any sale of Shares in the United States or to U.S. Persons may only be made to persons reasonably believed to be QIBs that are also QPs. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under applicable securities laws and regulations, including the U.S. Securities Act, and under the Articles. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the Articles.

#### ***Enforceability of civil liberties***

The Company is organised as a public limited company incorporated under the laws of England and Wales. None of the Directors are citizens or residents of the United States. In addition, the Company's assets and all the assets of the Directors are located outside the United States. As a result, it may not be possible for any U.S. investors to effect service of process within the United States upon the Company or the Directors or to enforce in the U.S. courts or outside the United States judgments obtained against them in U.S. courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce judgments of U.S. courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales.

#### **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN CANADA, JAPAN, AUSTRALIA OR THE REPUBLIC OF SOUTH AFRICA**

The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of such territories.

#### **FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA**

In relation to each Relevant Member State, no Shares have been offered or will be offered pursuant to any Issue to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the EU Prospectus Regulation, except that offers of Shares to the public may be made at any time under the following exemptions under the EU Prospectus Regulation:

- (a) to any legal entity which is a "qualified investor" as defined in the EU Prospectus Regulation;

- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in such Relevant Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the EU Prospectus Regulation in a Relevant Member State and each person who initially acquires any Shares or to whom any offer is made under any Placing-Only Issue will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares.

The AIFM has made the notifications or applications and received, where relevant, approvals for the marketing of the Shares to “professional investors” (as defined in the EU AIFM Directive) in the following Relevant Member States: Belgium, Luxembourg and the Netherlands. Notwithstanding any other statement in the Prospectus, the Prospectus should not be made available to any investor domiciled in any Relevant Member State other than those cited above. Prospective investors domiciled in the EEA that have received the Prospectus in any Relevant Member States other than those cited above should not subscribe for Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the AIFM has confirmed that it has made the relevant notification or applications in that Relevant Member State and is lawfully able to market Shares into that Relevant Member State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor’s own initiative.

Notwithstanding that the AIFM may have confirmed that it is able to market Shares to professional investors in a Relevant Member State, the Shares may not be marketed to retail investors (as this term is understood in the EU AIFM Directive as transposed in the Relevant Member States) in that Relevant Member State unless the Shares have been qualified for marketing to retail investors in that Relevant Member State in accordance with applicable local laws. At the date of the Prospectus, the Shares are not eligible to be marketed to retail investors in any Relevant Member State. Accordingly, the Shares may not be offered, sold or delivered and neither the Prospectus nor any other offering materials relating to such Shares may be distributed or made available to retail investors in those countries.

#### **NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND**

The Share Issuance Programme are only directed at and any offer of Shares in Switzerland will only be made exclusively to institutional investors (such as supervised financial intermediaries including banks, securities firms, fund management companies and asset managers of collective investment schemes, insurance companies as well as central banks). Accordingly, the Company is neither required to obtain any authorisation from the Swiss Financial Market Supervisory Authority FINMA nor to appoint a Swiss representative and a Swiss paying agent. Investors do not benefit from the additional investor protection afforded by the Swiss Federal Act on Collective Investment Schemes and its implementing ordinances and regulations or the Swiss Federal Act on Financial Services and its implementing ordinances. This document does not constitute a prospectus in the sense of arts. 35 and following (in particular art. 65 and following) of the Swiss Federal Act on Financial Services and its implementing ordinances. It may, however, constitute advertisement in the sense of art. 68 of the Swiss Federal Act on Financial Services and its implementing ordinances.

#### **NOTICE TO PROSPECTIVE INVESTORS IN BELGIUM**

No Shares have been offered or will be offered pursuant to the Share Issuance Programme to the public in Belgium prior to the publication of a prospectus within the meaning of the EU Prospectus Regulation or a prospectus and an information note within the meaning of the Belgian Act of 11 July 2018 on public offers of investment instruments and admission of investment instruments to trading on regulated markets. The Shares may be offered only to professional investors in Belgium within the

meaning of the EU AIFM Directive. The Belgian Financial Services and Markets Authority (the **"Belgium FSMA"**) has not passed upon the accuracy or adequacy of this Prospectus or otherwise approved or authorised the offering of the Shares to investors resident in Belgium. Furthermore, the AIFM has notified its intention to market Shares of the Company in Belgium to the FSMA in accordance with Article 498 of the Belgian Act of 19 April 2014 on alternative investment funds and their managers.

#### **NOTICE TO PROSPECTIVE INVESTORS IN THE NETHERLANDS**

The Shares are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (Wet op het financieel toezicht, the **"Wft"**). In accordance with this provision, the AIFM has notified the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, the **"AFM"**) of its intention to offer the Shares in the Netherlands. This Prospectus is not addressed to or intended for, and the Shares are and may not be offered, sold, transferred or delivered, directly or indirectly, to or by, individuals or entities in the Netherlands other than individuals or entities that are qualified investors (gekwalficeerde beleggers) within the meaning of Section 1:1 of the Wft. As a consequence, neither the AIFM nor the Company is subject to the licence requirement for fund managers or investment institutions pursuant to the Wft. Consequently, the AIFM and the Company are only subject to limited supervision by the Dutch Central Bank (De Nederlandsche Bank, **"DNB"**) and the AFM for the compliance with the ongoing regulatory requirement as referred to in the Dutch law implementation of Article 42 of the EU AIFM Directive. In addition, no approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the EU Prospectus Regulation, as amended and applicable in the Netherlands.

#### **NOTICE TO PROSPECTIVE INVESTORS IN LUXEMBOURG**

No Shares have been offered or will be offered pursuant to the Share Issuance Programme to the public in the Grand Duchy of Luxembourg prior to the publication of a prospectus within the meaning of EU Prospectus Regulation or a prospectus within the meaning of the Luxembourg Law of 16 July, 2019 on prospectuses for securities. The Shares may be offered only to professional investors in Luxembourg within the meaning of the EU AIFM Directive. The Luxembourg Supervisory Commission of the Financial Sector (Commission De Surveillance Du Secteur Financier or **"CSSF"**) has not passed upon the accuracy or adequacy of this Prospectus or otherwise approved or authorised the offering of the Shares to investors resident in Luxembourg. Furthermore, the AIFM has notified its intention to market Shares of the Company in Luxembourg to the CSSF in accordance with article 45 of the Luxembourg Law of July 12, 2013 on Alternative Investment Fund Managers.

#### **NOTICE TO PROSPECTIVE INVESTORS IN GUERNSEY**

Any issue of Shares pursuant to the Share Issuance Programme referred to in this Prospectus is and may be made, and is being or may be provided in or from within the Bailiwick of Guernsey only:

- (a) by persons licensed to do so (or permitted by way of exemption granted) by the Guernsey Financial Services Commission (the **"Commission"**) under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (as amended) (the **"POI Law"**); or
- (b) by non-Guernsey bodies who meet the criteria specified in section 44(1)(c) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the law of a country or territory designated by the Commission, such as the UK; (ii) has its main place of business in that country or territory and does not carry on any restricted activity from a permanent place of business in the Bailiwick; (iii) is recognised as a national of that country or territory by its law; and (iv) has given written notice to the Commission pursuant to a prescribed form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey and complied with the requirements applicable under section 3(1) of the POI Law to an applicant for a licence; or
- (c) by non-Guernsey bodies to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, the Insurance Business (Bailiwick of Guernsey) Law, 2020, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2020 or

the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020, provided that the promoting party meets the criteria specified in section 44(1)(d) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the law of a country or territory designated by the Commission, such as the UK; (ii) has its main place of business in that country or territory and does not carry on any restricted activity from a permanent place of business in the Bailiwick; (iii) is recognised as a national of that country or territory by its law; and (iv) has given written notice to the Commission by way of an online form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey; or

(d) as otherwise permitted by the Commission.

The Commission takes no responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Any offer referred to in this Prospectus is not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and this Prospectus must not be relied upon by any person unless made or received in accordance with such paragraphs.

#### **NOTICE TO PROSPECTIVE INVESTORS IN JERSEY**

Any issue of Shares pursuant to the Share Issuance Programme that is the subject of this Prospectus may only be made in Jersey where such issue is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom or Guernsey as the case may be. Consent under the Control of Borrowing (Jersey) Order 1958 has not been obtained for the circulation of this offer and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. By accepting this offer each prospective investor in Jersey represents and warrants that he or she is in possession of sufficient information to be able to make a reasonable evaluation of the offer. Subject to certain exemptions (if applicable), offers for securities in the Company may only be distributed and promoted in or from within Jersey by persons with appropriate registration under the Financial Services (Jersey) Law 1998, as amended. Neither the Company nor the activities of any functionary with regard to the Company are subject to all the provisions of the Financial Services (Jersey) Law 1998.

#### **NOTICE TO PROSPECTIVE INVESTORS IN THE ISLE OF MAN**

Any issue of Shares pursuant to the Share Issuance Programme are available, and are and may be made, in or from within the Isle of Man and the Prospectus is being provided in or from within the Isle of Man only:

- (a) by persons licensed to do so under the Isle of Man Financial Services Act 2008; or
- (b) in accordance with any relevant exclusion contained within the Isle of Man Regulated Activities Order 2011 (as amended) or exemption contained in the Isle of Man Financial Services (Exemptions) Regulations 2011 (as amended).

Any issue of Shares pursuant to the Share Issuance Programme referred to in the Prospectus and the Prospectus are not available in or from within the Isle of Man other than in accordance with paragraphs (a) and (b) above and must not be relied upon by any person unless made or received in accordance with such paragraphs.

#### **NOTICE TO PROSPECTIVE INVESTORS IN OTHER JURISDICTIONS**

The distribution of the Prospectus and offering of Shares in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession the Prospectus comes should inform themselves about and observe any such restrictions.

## **INFORMATION TO DISTRIBUTORS**

Solely for the purposes of the product governance requirements contained within PROD 3 of the FCA's Product Intervention and Product Governance Sourcebook (the **"Product Governance Requirements"**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in COBS 3.5 and 3.6 of the FCA's Conduct of Business Sourcebook, respectively; and (ii) eligible for distribution through all distribution channels as are permitted by the Product Governance Requirements (the **"Target Market Assessment"**).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to any Issue or the Share Issuance Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment and Panmure Gordon will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the FCA's Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

## **DISTRIBUTION TO RETAIL INVESTORS AND UK MIFID II**

The Company conducts and intends to continue to conduct its affairs so that its Shares can be recommended by financial advisers to retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investment products. The Shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

The Company conducts and intends to continue to conduct its affairs so that its Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under UK MiFID II. The Directors consider that the requirements of Article 57 of the UK MiFID II Delegated Regulation are met in relation to the Shares and that, accordingly, the Shares should be considered "non-complex" for the purposes of UK MiFID II.

## **ELIGIBILITY FOR INVESTMENT BY UCITS OR NURS**

The Company has been advised that the Shares should be "transferable securities" and, therefore, should be eligible for investment by UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Shares are to be admitted to trading on the main market of the London Stock Exchange; and (iii) the AIFM is authorised and regulated by the FCA and, as such is subject the rules of the FCA in the conduct of its investment business. The manager of a UCITS or NURS should, however, satisfy itself that the Shares are eligible for investment by that fund, including a consideration of the factors relating to that UCITS or NURS itself, specified in the rules of the FCA.

## **KEY INFORMATION DOCUMENT**

In accordance with the UK PRIIPs Regulation, a key information document prepared by the Company in relation to the Ordinary Shares is available on the Company's website:

www.hydrogenonecapitalgrowthplc.com. It is the responsibility of each distributor of Ordinary Shares to ensure that its “retail clients” are provided with a copy of the key information document.

The Company is the manufacturer of the Ordinary Shares for the purposes of the UK PRIIPs Regulation and none of the AIFM, the Investment Adviser or Panmure Gordon are a manufacturer for these purposes. None of the AIFM, the Investment Adviser or Panmure Gordon make any representations, express or implied, or accepts any responsibility whatsoever for the contents of the key information document prepared by the Company in relation to the Ordinary Shares or any other key information document in relation to the Shares prepared by the Company in the future nor accepts any responsibility to update the contents of any key information document in accordance with the UK PRIIPs Regulation, to undertake any review processes in relation thereto or to provide such key information document to future distributors of Shares. Each of the AIFM, the Investment Adviser and Panmure Gordon and their respective Affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of any key information document prepared by the Company from time to time.

## DATA PROTECTION

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“**personal data**”) will be held and processed by the Company (and any third party to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (a) the EU General Data Protection Regulation 2016/679 (“**EU GDPR**”) and/or the EU GDPR as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (“**UK GDPR**”) and the UK Data Protection Act 2018 (as amended from time to time) (the “**Data Protection Legislation**”); and (b) the Company’s privacy notice, a copy of which is available for consultation on the Company’s website at <https://hydrogenonecapitalgrowthplc.com/privacy-notice/> (“**Privacy Notice**”) (and if applicable any other third party delegate’s privacy notice).

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) in accordance with and for the purposes set out in the Privacy Notice which include:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company; and
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere or any third party functionary or agent appointed by the Company.

Where necessary to fulfil the purposes set out above and in the Privacy Notice, the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) will:

- (a) disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and
- (b) transfer personal data outside of the United Kingdom (or the EEA, to the extent that the EU GDPR applies in respect of the personal data being transferred) to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors in the United Kingdom or the EEA (as applicable).

The foregoing processing of personal data is required in order to perform the contract with the prospective investor, to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or

functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that such transfer is in accordance with applicable Data Protection Legislation.

When the Company, or its permitted third parties, transfers personal information outside the United Kingdom (or the EEA, to the extent that the EU GDPR applies in respect of the personal data being transferred), it will ensure that the transfer is subject to appropriate safeguards in accordance with applicable Data Protection Legislation.

Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions. Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Privacy Notice.

## **CURRENCY PRESENTATION**

Unless otherwise indicated, all references in this Securities Note to “£”, “pence” or “GBP” are to the lawful currency of the UK, all references in this Securities Note to “Euro” or “€” are to the lawful currency of the Participating Member States of the European Union.

## **DEFINITIONS**

A list of defined terms used in this Securities Note is set out at pages 48 to 54.

## **WEBSITES**

Without limitation, neither the contents of the Company’s website ([www.hydrogenonecapitalgrowthplc.com](http://www.hydrogenonecapitalgrowthplc.com)), nor any other website nor the content of any website accessible from hyperlinks on the Company’s website, or any other website, is incorporated into, or forms part of this Securities Note, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of the Prospectus alone.

## **GOVERNING LAW**

Unless otherwise stated, statements made in this Securities Note are based on the law and practice currently in force in England and Wales.

## **CALCULATION OF APPLICABLE ISSUE PRICE**

### ***The Issue***

In relation to any Issue of Ordinary Shares pursuant to the Share Issuance Programme, the relevant issue price for such Issue will be calculated by reference to the most recently announced Net Asset Value per Ordinary Share and applying an appropriate premium.

In relation to any Issue of C Shares pursuant to the Share Issuance Programme, the relevant issue price for such Issue will be 100 pence per C Share.

## **FORWARD LOOKING STATEMENTS**

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

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. These forward looking statements speak only as at the date of this Securities Note. Subject to its legal and regulatory obligations (including under the Prospectus Regulation Rules), the Company expressly disclaims any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the

UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and UK MAR.

Nothing in the preceding paragraphs should be taken as limiting the working capital statement in paragraph 5 of Part 3 of this Securities Note.

## **PRESENTATION OF INDUSTRY, MARKET AND OTHER DATA**

Market, economic and industry data used throughout this Securities Note is sourced from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **UNITED STATES (U.S.) TAX WITHHOLDING AND REPORTING UNDER THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)**

The FATCA provisions of the US Tax Code may impose a 30 per cent. withholding tax on payments of US source interest and dividends made on or after 1 July 2014 and of gross proceeds from the sale of certain US assets made on or after 1 January 2017 to a foreign financial institution (or “**FFI**”) that, unless exempted or deemed compliant, does not enter into, and comply with, an agreement with the US Internal Revenue Service (“**IRS**”) to provide certain information on its U.S. shareholders. A portion of income that is otherwise non US-source may be treated as US-source for this purpose.

The Company may be treated as an FFI for these purposes. If the Company is treated as an FFI, to avoid the withholding tax described above, the Company may need to enter into an agreement (an “**IRS Agreement**”) with the IRS or alternatively, comply with the requirements of the intergovernmental agreement (an “**IGA**”) between the United States and the United Kingdom in respect of FATCA (including any legislation enacted by the United Kingdom in furtherance of the IGA). An FFI that fails to comply with the applicable IGA or, if required, does not enter into an IRS Agreement or whose agreement is voided by the IRS will be treated as a “non-Participating FFI”.

In general, an IRS Agreement will require an FFI to obtain and report information about its “U.S. accounts”, which include equity interests in a non-US entity other than interests regularly traded on an established securities market. The following assumes that the Company will be an FFI and that its Shares will not be considered regularly traded on an established securities market for purposes of FATCA. The Company’s reporting obligations under FATCA would generally be less extensive if its Shares were considered regularly traded on an established securities market for purposes of FATCA. An IRS Agreement would require the Company (or an intermediary financial institution, broker or agent (each, an “**Intermediary**”) through which a beneficial owner holds its interest in Shares) to agree to: (i) obtain certain identifying information regarding the holder of such Shares to determine whether the holder is a US person or a US owned foreign entity and to periodically provide identifying information about the holder to the IRS; and (ii) comply with withholding and other requirements. In order to comply with its information reporting obligation under the IRS Agreement, the Company will be obliged to obtain information from all Shareholders. To the extent that any payments in respect of the Shares are made to a Shareholder by an Intermediary, such Shareholder may be required to comply with the Intermediary’s requests for identifying information that would permit the Intermediary to comply with its own IRS Agreement. Any Shareholder that fails to properly comply with the Company’s or an Intermediary’s requests for certifications and identifying information or, if applicable, a waiver of non-US law prohibiting the release of such information to a taxing authority, will be treated as a “Recalcitrant Holder”. The Company will not be required to enter into an IRS Agreement provided that it complies with legislation enacted by the UK that generally requires similar information to be collected and reported to the UK authorities.

Under the UK IGA (including any legislation enacted in furtherance of the IGA) or an IRS Agreement, an Intermediary (and possibly the Company) may be required to deduct a withholding tax of up to 30 per cent. on payments (including gross proceeds and redemptions) made on or after 1 January 2017 to a Recalcitrant Holder or a Shareholder that itself is an FFI and, unless exempted or otherwise deemed to be compliant, does not have in place an effective IRS Agreement (i.e. the Shareholder is a non-Participating FFI). Neither the Company nor an Intermediary will make any additional payments

to compensate a Shareholder of the Company or beneficial owner for any amounts deducted pursuant to FATCA. It is also possible that the Company may be required to cause the disposition or transfer of Shares held by Shareholders that fail to comply with the relevant requirements of FATCA and the proceeds from any such disposition or transfer may be an amount less than the then current fair market value of the Shares transferred.

If the Company (or any Intermediary) is treated as a non-Participating FFI, the Company may be subject to a 30 per cent. withholding tax on certain payments to it.

Further, even if the Company is not characterised under FATCA as an FFI, it nevertheless may become subject to such 30 per cent. withholding tax on certain US source payments to it unless it either provides information to withholding agents with respect to its “substantial US owners” or certifies that it has no such “substantial US owners.” As a result, Shareholders may be required to provide any information that the Company determines necessary to avoid the imposition of such withholding tax or in order to allow the Company to satisfy such obligations.

The foregoing is only a general summary of certain provisions of FATCA. Prospective investors should consult with their own tax advisers regarding the application of FATCA to their investment in the Company. The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

The Company may have similar requirements pursuant to the Common Reporting Standards.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

## EXPECTED TIMETABLE

Share Issuance Programme opens	26 September 2022
Latest time and date for receipt of Forms of Proxy	11.00 am on 17 October 2022
General Meeting	11.00 am on 19 October 2022
Publication of Share Issuance Programme Price in respect of each Issue under the Share Issuance Programme	on, or as soon as practicable following, the announcement of each Issue
Admission and crediting of CREST stock accounts in respect of each Issue under the Share Issuance Programme	as soon as practicable following the allotment of Shares
Share certificates despatched in respect of Shares	as soon as practicable following the allotment of Shares
Share Issuance Programme closes and last date for Shares to be admitted	25 September 2023

*The dates and times specified are subject to change subject to agreement between the Company, the Investment Adviser and Panmure Gordon. All references to times in this Securities Note are to London time unless otherwise stated. Any changes to the expected timetable will be notified by the Company via a Regulatory Information Service.*

## SHARE ISSUANCE PROGRAMME

Maximum size of the Share Issuance Programme	500 million Shares in aggregate
Share Issuance Programme Price	(i) in respect of the Ordinary Shares, not less than the latest published Net Asset Value per Ordinary Share at the time of issue; or (ii) in respect of the C Shares 100 pence per C Share for any issue of C Shares*

\* Please refer to the paragraph headed "Calculation of Applicable Issue Price" on page 16 of this Securities Note for further details.

## DEALING CODES

The dealing codes for the Ordinary Shares are as follows:

ISIN	GB00BL6K7L04
SEDOL	BL6K7L0
Ticker	HGEN

The dealing codes for the C Shares are as follows:

ISIN	GB00BP6FT175
SEDOL	BP6FT17

## DIRECTORS, MANAGEMENT AND ADVISERS

<b>Directors (all non-executive)</b>	Simon Hogan ( <i>Chair</i> ) David Bucknall Abigail Rotheroe Afkenel Schipstra  all of the registered office below:
<b>Registered Office</b>	6th Floor 125 London Wall London EC2Y 5AS
<b>AIFM</b>	Sanne Fund Management (Guernsey) Limited Sarnia House Le Truchot St Peter Port Guernsey GY1 1GR
<b>Investment Adviser</b>	HydrogenOne Capital LLP 5 Margaret Street London England W1W 8RG
<b>Sponsor, Financial Adviser and Bookrunner</b>	Panmure Gordon (UK) Limited One New Change London EC4M 9AF
<b>Technical Adviser</b>	Ove Arup & Partners Ltd 13 Fitzroy Street London W1T 4BQ
<b>Administrator and Company Secretary</b>	Sanne Fund Services (UK) Limited 6th Floor 125 London Wall London EC2Y 5AS
<b>Solicitors to the Company</b>	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
<b>Solicitors to the Sponsor, Financial Adviser and Bookrunner</b>	Travers Smith LLP 10 Snow Hill Farringdon London EC1A 2AL
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE
<b>Custodian</b>	The Northern Trust Company 50 Bank Street Canary Wharf London E14 5NT

**Reporting Accountants**

KPMG LLP  
15 Canada Square  
London E14 5GL

**Auditor**

KPMG Channel Islands Limited  
Gategny Court  
Gategny Esplanade  
Guernsey GY1 1WR

## **PART 1**

### **THE SHARE ISSUANCE PROGRAMME**

#### **1. INTRODUCTION**

The Company currently has the authority to issue up to 10,735,000 Ordinary Shares pursuant to the Share Issuance Programme and, subject to the passing of Resolutions 1 and 2 at the General Meeting, the Company will also have authority to issue up to 500 million Shares in aggregate pursuant to the Share Issuance Programme. Ordinary Shares and/or C Shares may be issued pursuant to the Share Issuance Programme. Each Issue may comprise a placing, an open offer, an offer for subscription and/or an intermediaries offer.

The Share Issuance Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Shares over a period of time. The Share Issuance Programme is intended to satisfy market demand for Shares and to raise money to increase the size of the Company and invest in accordance with the Company's investment policy.

The issue of Shares under the Share Issuance Programme has not been underwritten.

#### **2. BACKGROUND TO, AND REASONS FOR, THE SHARE ISSUANCE PROGRAMME**

On 12 April 2022, the Company issued 21,469,999 Ordinary Shares at 100 pence per Ordinary Share pursuant to a placing. This placing of Ordinary Shares represented 20 per cent. of the Company's issued share capital.

The Directors are cognisant of the need to comply with the requisite provisions of the Prospectus Regulation when issuing Shares and, more particularly, the rolling requirement that the Company should not issue more than 20 per cent. of its share capital during any preceding twelve-month period without having published a prospectus.

The Investment Adviser continuously assesses market conditions and investment opportunities and, accordingly, the Prospectus is being published in order to 'reset' the Company's 20 per cent. capacity to issue further Shares by way of the Share Issuance Programme afforded under the Prospectus Regulation and allow the Company to undertake fundraisings by way of the Share Issuance Programme in an expeditious and straightforward manner to take advantage of investments as they arise.

The Company currently has the authority to issue up to 10,735,000 Ordinary Shares pursuant to the Share Issuance Programme and, subject to the passing of Resolutions 1 and 2 at the General Meeting, the Company will have greater flexibility to issue Shares on a non-pre-emptive basis where there appears to be reasonable demand for Shares in the market, for example if the Ordinary Shares trade at a premium to the Net Asset Value per Ordinary Share.

The Board may, if deemed appropriate, issue C Shares, rather than Ordinary Shares, in circumstances where there is substantial investor demand such that an issue of Ordinary Shares would have the potential to exert "cash drag" on the performance of the existing Ordinary Shares. The assets representing the net proceeds of an issue of C Shares would be accounted for as a separate pool, and the C Shares would bear a proportionate share of the Company's costs and expenses, until such pool is substantially invested in accordance with the Company's investment policy but not later than twelve months after the allotment of that tranche of C Shares, following which the C Shares would be converted into Ordinary Shares based on the respective Net Asset Value per Ordinary Share and the Net Asset Value per C Share.

For the purposes of assessing the Conversion Date of an issue of C Shares into Ordinary Shares, a separate pool underlying an issue of C Shares will be deemed to have been substantially invested when at least 85 per cent. (or such other percentage as the Directors will determine as part of the terms of issue or otherwise) of the assets attributable to that class of C Shares has been invested in accordance with the Company's investment policy. The rights attaching to C Shares, including the rights as to Conversion, are described in paragraph 3.7 of Part 3 of this Securities Note.

In utilising its discretion under the Share Issuance Programme and seeking such authorities in the future, the Board intends to take into account relevant factors, including the desirability of limiting any premium to the Net Asset Value per Ordinary Share at which the Ordinary Shares trade in order to ensure that Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire additional Ordinary Shares at a high premium to the Net Asset Value per Ordinary Share.

### 3. BENEFITS OF THE SHARE ISSUANCE PROGRAMME

The Directors believe that the issue of Shares pursuant to the Share Issuance Programme should yield the following principal benefits:

- *portfolio diversification*: further diversifying the Portfolio by allowing the Company to make additional investments;
- *reduce ongoing charges*: growing the Company should spread operating costs over a larger capital base, which should reduce the Company's ongoing charges ratio;
- *liquidity*: improving liquidity in the market for the Ordinary Shares; and
- *premium management*: giving the Company the ability to issue Shares, so as to better manage any premium at which the Ordinary Shares may trade relative to the Net Asset Value per Ordinary Share.

### 4. THE SHARE ISSUANCE PROGRAMME

The Share Issuance Programme will open on 26 September 2022 and will close on 25 September 2023 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).

The allotment of Shares under the Share Issuance Programme is at the discretion of the Directors (in consultation with Panmure Gordon). Allotments may take place at any time prior to the final closing date of 25 September 2023 (or any earlier date on which it is fully subscribed). The size and frequency of each Issue under the Share Issuance Programme, and of each placing, open offer, offer for subscription and intermediary offer component of each Issue, will be determined at the sole discretion of the Company in consultation with Panmure Gordon. In relation to each Issue which includes either an offer for subscription, an open offer and/or an intermediary offer component, a new securities note (a "**Future Securities Note**") and a new summary (a "**Future Summary**") will be published. An announcement of each Issue under the Share Issuance Programme will be released through a Regulatory Information Service, including details of the type of Share (Ordinary Share or C Share), number of Shares to be allotted and the method for calculation of the relevant Share Issuance Programme Price for the allotment. Applications pursuant to any Placing-Only Issue under the Share Issuance Programme will be on the terms and conditions set out in Part 5 of this Securities Note.

There is no minimum subscription. The Share Issuance Programme is not being underwritten and, as at the date of this Securities Note, the actual number of Shares to be issued under the Share Issuance Programme is not known. The maximum number of Shares available under the Share Issuance Programme should not be taken as an indication of the number of Shares finally to be issued.

The net proceeds of any Placing-Only Issue under the Share Issuance Programme are dependent, *inter alia*, on the level of subscriptions received, the price at which such Shares are issued and the costs of the relevant Placing-Only Issue. The costs and expenses of any Placing-Only Issue under the Share Issuance Programme will depend on a number of factors including the subscriptions received but are not expected to exceed 2 per cent. of the gross issue proceeds of the relevant Placing-Only Issue.

Assuming that all 500 million Shares are issued pursuant to the Share Issuance Programme as Ordinary Shares and that the gross issue proceeds of the Share Issuance Programme are £500 million (at an assumed issue price of 100p), the costs and expenses for the entire Share Issuance Programme would be approximately £9 million and the net issue proceeds of the Share Issuance Programme would be approximately £491 million.

It is expected that the costs and expenses of issuing Ordinary Shares under the Share Issuance Programme will be covered by issuing such Ordinary Shares at the Share Issuance Programme Price. The costs and expenses of any issue of C Shares under the Share Issuance Programme will be paid out of the gross proceeds of such issue of C Shares and will be borne by holders of C Shares only.

## **5. SCALING BACK**

In the event of oversubscription of a Placing-Only Issue, applications under the relevant Issue under the Share Issuance Programme will be scaled back at the absolute discretion of the Directors (in consultation with Panmure Gordon).

The Directors reserve the right to scale back applications in whole or in part.

## **6. THE SHARE ISSUANCE AGREEMENT**

Under the Share Issuance Agreement, Panmure Gordon has undertaken, as agent for the Company, to use reasonable endeavours to procure subscribers for Shares under the Share Issuance Programme. Details of the Share Issuance Agreement are set out in the Registration Document.

Each allotment and issue of Shares pursuant to a Placing-Only Issue under the Share Issuance Programme is conditional, *inter alia*, on (i) Resolutions 1 and 2 being passed at the General Meeting (if more than 10,735,000 Ordinary Shares are to be issued pursuant to the Share Issuance Programme), (ii) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Panmure Gordon may agree from time to time in relation to that Admission, not being later than 25 September 2023; (iii) a valid supplementary prospectus, Future Summary and/or Future Securities Note being published by the Company if such is required by the Prospectus Regulation Rules, and (iv) the Share Issuance Agreement being wholly unconditional (save as to the relevant Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

In circumstances in which the conditions to a Placing-Only Issue are not fully met, the relevant issue of Shares pursuant to the Share Issuance Programme will not take place.

## **7. THE SHARE ISSUANCE PROGRAMME PRICE**

Subject to the requirements of the Listing Rules, the minimum price at which Ordinary Shares will be issued pursuant to the Share Issuance Programme will be calculated by reference to the applicable Net Asset Value per Ordinary Share together with a premium intended to cover the costs and expenses of any Issue under the Share Issuance Programme (including, without limitation, any placing commissions). Fractions of Ordinary Shares will not be issued.

The issue price of any C Shares issued pursuant to the Share Issuance Programme will be 100 pence per C Share.

The Share Issuance Programme Price will be announced through a Regulatory Information Service as soon as practicable in conjunction with each Issue under the Share Issuance Programme.

## **8. DILUTION**

The ownership and voting interests of any Shareholders not participating in any Issue will be diluted.

If 500 million Shares were to be issued under the Share Issuance Programme (being the maximum number of Shares that the Directors are seeking authority to issue under the Share Issuance Programme), a Shareholder holding 1 per cent. of all Shares in issue who did not participate in any issue under the Share Issuance Programme would hold 0.20 per cent. of all Shares in issue immediately following the final closing date of the Share Issuance Programme. The above calculation assumes that if any classes of C Shares are issued, each of the relevant Conversion Ratios will be 1:1. It should be noted that, however, on Conversion of any class of C Shares, any dilution resulting from the issue of C Shares may increase or decrease depending on the actual Conversion Ratio used for such Conversion.

## **9. USE OF PROCEEDS**

The Directors intend to use the net proceeds of any Placing-Only Issue to purchase investments which are consistent with the Company's investment objective and investment policy.

## **10. ADMISSION AND SETTLEMENT**

The Share Issuance Programme may have a number of closing dates in order to provide the Company with the ability to issue Shares over the duration of the Share Issuance Programme. Shares may be issued under the Share Issuance Programme from the date of Initial Admission until 25 September 2023.

Application will be made to the FCA and the London Stock Exchange for all of the Shares issued pursuant to the Share Issuance Programme to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Any Admissions pursuant to Placing-Only Issues will become effective and dealings will commence between the date of publication of this Securities Note and 25 September 2023. All Shares issued pursuant to the Share Issuance Programme will be allotted conditionally on such Admission occurring.

Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Shares to be issued in uncertificated form, these will be transferred to successful applicants through the CREST system.

It is anticipated that dealings in the Shares will commence approximately three Business Days after their allotment. Dealing in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. Whilst it is expected that all Shares allotted pursuant to the Share Issuance Programme will be issued in uncertificated form, if any Shares are issued in certificated form it is expected that share certificates will be despatched approximately one week following Admission of the Shares, at the Shareholder's own risk.

The ISIN number of the Ordinary Shares is GB00BL6K7L04 and the SEDOL code is BL6K7L0.

The ISIN number of the C Shares is GB00BP6FT175 and the SEDOL code is BP6FT17.

Any Ordinary Shares issued pursuant to the Share Issuance Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares). The Ordinary Shares will be issued in registered form.

Any C Shares issued pursuant to the Share Issuance Programme will rank *pari passu* with any C Shares of the same class then in issue. The C Shares will be issued in registered form.

## **11. CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. The Company shall apply for the Shares offered under the Share Issuance Programme to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Shares following the relevant Admission may take place within the CREST system if any holder of such Shares so wishes.

## **12. OVERSEAS PERSONS**

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below.

The offer of Shares under the Share Issuance Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Shares under the Share Issuance Programme. It is the responsibility of all Overseas Persons receiving this Securities Note and/or wishing to subscribe for Shares under the Share Issuance Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or

other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this Securities Note in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this Securities Note may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares are only being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. Any sale of Shares in the United States or to US persons may only be made to persons reasonably believed to be QIBs that are also QPs.

The Company reserves the right to treat as invalid any agreement to subscribe for Shares under the Share Issuance Programme if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

### ***Certain ERISA Considerations***

Unless otherwise expressly agreed with the Company, the Shares may not be acquired by:

- investors using assets of: (A) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a “plan” as defined in Section 4975 of the US Tax Code including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include “plan assets” by reason of investment by an “employee benefit plan” or “plan” described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or
- a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, unless its purchase, holding, and disposition of the Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

### **Representations, Warranties and Undertakings**

Unless otherwise expressly agreed with the Company, each acquirer of Shares pursuant to any subsequent Placing-Only Issue and each subsequent transferee, and each acquirer of Ordinary Shares upon conversion of any C Shares and each subsequent transferee, by acquiring Shares or a beneficial interest therein, will be deemed to have represented, warranted, undertaken, agreed and acknowledged to the Company and Panmure Gordon as follows:

- unless otherwise agreed with the Company, in which case such acquirer is a QIB that is also a QP, it is located outside the United States, it is not a U.S. Person, it is acquiring the Shares in an “offshore transaction” meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a U.S. Person;
- the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not require the Company to register under the U.S. Investment Company Act;

- the Company has not been and will not be registered under the U.S. Investment Company Act, and, investors will not be entitled to the benefits of the U.S. Investment Company Act and the Company has elected to impose restrictions on the relevant Placing-Only Issue and on the future trading in the Shares to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only (i) in an “offshore transaction” complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person, by prearrangement or otherwise, or (ii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;
- it is acquiring the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws; and
- it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person’s status under U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding by such person will not violate or require registration under U.S. federal securities laws to transfer such Shares or interests in accordance with the Articles.

#### ***United States transfer restrictions***

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Shares in the United States. The Shares are being offered or sold outside the United States to non-U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”) and investors will not be entitled to the benefits of the U.S. Investment Company Act.

Accordingly, U.S. investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any Shares within the United States, or to, or for the account or benefit of, any U.S. Person.

### **13. TYPICAL INVESTOR**

The Shares are designed to be suitable for institutional investors and professionally advised private investors. The Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the Shares in an Issue.

## PART 2

### TAXATION

**Prospective investors should consult their professional advisers concerning the possible tax consequences of their subscribing for, holding or disposing of Shares. The following summary of the principal United Kingdom tax consequences applicable to the Company and its Shareholders is based upon interpretations of current UK tax laws and what is understood to be the current practice and published guidance of HMRC (which may not be binding) in effect on the date of this Securities Note and no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretations or that changes in such laws, practice or guidance will not occur, possibly with retrospective effect. The statements made in this Securities Note are not intended as legal or tax advice. Each prospective investor must consult its own advisers with regard to the tax consequences of an investment in Shares. None of the Company, the Directors, Panmure Gordon, the AIFM, the Investment Adviser or any of their respective affiliates or agents accepts any responsibility for providing tax advice to any prospective investor.** A11 4.11

#### INTRODUCTION

The information below, which relates only to United Kingdom taxation, does not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Shares. It relates only to the Company and to persons who are resident solely in the United Kingdom for UK taxation purposes and who hold Shares as an investment and who are the absolute beneficial owners of both the Shares and any dividends paid on them. It is based on an interpretation of current United Kingdom tax law and published guidance and current practice, which law, guidance and practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

There may be other tax consequences of an investment in the Company and all Shareholders or potential investors, in particular those who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult an appropriate professional adviser without delay. In particular, the tax legislation of the Shareholder's or potential investor's country of domicile or residence and of the Company's country of incorporation may have an impact on income received from the Shares.

#### THE COMPANY

The Company has received investment trust approval from HMRC under sections 1158 to 1159 (and regulations made thereunder) of the CTA 2010. It is the intention of the Directors to conduct the affairs of the Company so that it continues to satisfy the conditions necessary for it to maintain that approval by HMRC. However, neither the Directors, the AIFM, nor the Investment Adviser can guarantee that this approval will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a close company. The Directors intend that the Company should not be a close company. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK taxation on its capital gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way.

An investment trust approved under sections 1158 to 1159 (and regulations made thereunder) of the CTA 2010 is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under regulations made pursuant to the Finance Act 2009, the Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends in

respect of the accounting period, to the extent that it has “qualifying interest income” for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its taxable interest income in calculating its taxable profit for the relevant accounting period.

The Company should in practice be exempt from UK corporation tax on any dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the “exempt classes” in Part 9A of the CTA 2009.

## **SHAREHOLDERS**

### **Taxation of capital gains**

Individual Shareholders who are resident solely in the UK for UK tax purposes will generally be subject to capital gains tax in respect of any gain arising on a disposal of their Shares. Each such individual has an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £12,300 for the tax year 2021–2022. Capital gains tax chargeable will be at the current rate of 10 per cent. (for basic rate tax payers) and 20 per cent. (for higher and additional rate tax payers) for the tax year 2021–2022.

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax on chargeable gains arising on a disposal of their Shares.

Capital losses realised on a disposal of Shares must be set off as far as possible against chargeable gains for the same tax year (or accounting period in the case of a corporate Shareholder), even if this reduces an individual Shareholder’s total gain below the annual exemption. Any balance of losses is carried forward without time limit and set off against net chargeable gains (that is, after deducting the annual exemption) in the earliest later tax year. Losses cannot generally be carried back, with the exception of losses accruing to an individual Shareholder in the year of his/her death.

### **Taxation of dividends**

Distributions made by the Company may take the form of dividend distributions or may be designated as interest distributions for UK tax purposes. Prospective investors should note that the UK tax treatment of the Company’s distributions may vary for a Shareholder depending upon the classification of such distributions. Prospective investors who are unsure about the tax treatment which will apply to them in respect of any distributions made by the Company should consult their own tax advisers.

The Company will not be required to withhold tax at source when paying a distribution.

### ***Individual Shareholders***

#### ***(a) Non interest distributions***

In the event that the Directors do not elect for the “streaming” regime to apply to any dividends paid by the Company, the following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. The following statements would also apply to any dividends not treated as “interest distributions” were the Directors to elect for the streaming regime to apply.

A £2,000 annual tax free dividend allowance is available to UK individuals for the tax year 2021–22. Dividends received in excess of this threshold will be taxed, for the tax year 2021/22 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers). Under the Finance Bill 2022, if enacted as currently drafted, these rates will increase by 1.25 per cent. from April 2022, rising to 8.75 per cent. (for basic tax rate taxpayers), 33.75 per cent. (for higher rate taxpayers) and 39.35 per cent. (for additional rate taxpayers) for the tax year 2022–23.

(b) *Interest distributions*

Should the Directors elect to apply the “streaming” regime to any dividends paid by the Company, a UK resident individual Shareholder in receipt of such a dividend would be treated as though they had received a payment of interest. Such a Shareholder would be subject to UK income tax at the current rates of 20 per cent., 40 per cent. or 45 per cent., for the tax year 2021–22 depending on the level of the Shareholder’s income.

Each UK resident individual who is a basic rate taxpayer is entitled to a Personal Saving Allowance which exempts the first £1,000 of savings income (including distributions deemed as ‘interest distributions’ from an investment trust company). The exempt amount is reduced to £500 for higher rate taxpayers and additional rate taxpayers do not receive an allowance.

**Other Shareholders**

UK resident corporate Shareholders may be subject to corporation tax on dividends paid by the Company unless they fall within one of the exempt classes in Part 9A of CTA 2009. If, however, the Directors did elect for the “streaming” rules to apply, and such corporate Shareholders were to receive dividends designated by the Company as “interest distributions”, they would be subject to corporation tax in the same way as a creditor in a loan relationship.

**It is particularly important that prospective investors who are not resident solely in the UK for UK tax purposes obtain their own tax advice concerning tax liabilities on dividends received from the Company.**

**UK Stamp Duty and Stamp Duty Reserve Tax**

No UK stamp duty or stamp duty reserve tax (“SDRT”) will normally arise on the issue of Shares by the Company. The issue of Shares pursuant to the Share Issuance Programme should not give rise to UK stamp duty or SDRT.

Transfers on sale of Shares will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer (rounded up to the nearest £5). The purchaser normally pays the stamp duty.

An agreement to transfer Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, paid by the purchaser.

Paperless transfers of Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

A market value charge to UK stamp duty applies to transfers of listed securities by a person (or its nominee) to a connected company (or its nominee), subject to the availability of relief. A market value charge to SDRT applies to unconditional agreements to transfer listed securities in the same circumstances unless the SDRT charge is cancelled, as outlined above. The Shares will be listed securities for these purposes as they will be admitted to trading on the main market of the London Stock Exchange.

**ISA, SSAS and SIPP**

Shares acquired on the secondary market should, subject to the annual ISA allowance (£20,000 in the tax year 2021/2022), be “qualifying investments” for the stocks and shares component of an ISA.

Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior

ISAs are available to children under the age of 18 who are resident in the UK subject to the annual allowance of £9,000 for the 2021-2022 tax year.

The Shares should be eligible for inclusion in a SIPP or a SSAS, subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

Individuals wishing to invest in Shares through an ISA, SIPP or SSAS should contact their professional advisers regarding their eligibility.

### **Information reporting**

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-governmental Agreement with the U.S. in relation to FATCA and International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar. The UK has also introduced legislation implementing other international exchange of information arrangements, including the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development and the EU Directive on Administrative Cooperation in Tax Matters. In connection with such agreements and arrangements the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to the authorities in other jurisdictions.

## PART 3

### GENERAL INFORMATION

#### 1. SHARE CAPITAL

- 1.1 The Ordinary Shares are (and the C Shares will be) denominated in Sterling.
- 1.2 The legislation under which the Ordinary Shares have been and any new Ordinary Shares and/or C Shares will be created is the Companies Act.
- 1.3 At the annual general meeting of the Company held on 24 May 2022, the following resolutions of the Company were passed:
  - (a) that: (i) the Directors were generally and unconditionally authorised pursuant to section 551 of the Act to allot shares in the Company, or to grant rights to subscribe for or convert any security into shares in the Company, up to the amount that represents 10% of the nominal value of the Company's issued share capital (excluding treasury shares) on the date on which the resolution was passed; and (ii) the authority given by the resolution: (A) was in addition to all pre-existing authorities under section 551 of the Act; and (B) unless renewed, revoked or varied in accordance with the Act, shall expire at the conclusion of the annual general meeting of the Company to be held in 2023 or, if earlier, on the expiry of 15 months from the date of passing of this resolution save that the Company may, before such expiry, make any offer or enter into an agreement which would or might require the allotment of shares in the Company, or the grant of rights to subscribe for or to convert any security into shares in the Company, after such expiry and the Directors may allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company in pursuance of such an offer or agreement as if such authority had not expired; and
  - (b) that the Directors be given power pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560(1) of the Act) for cash pursuant to the authority above, and to sell treasury shares for cash, as if section 561(1) of the Act did not apply to such allotment or sale, provided that such power: (i) shall be limited to the allotment of equity securities or the sale of treasury shares up to an aggregate nominal amount that represents 10% of the nominal value of the Company's issued share capital (excluding treasury shares) on the date on which the resolution was passed; (ii) shall be in addition to all pre-existing powers under sections 570 and 573 of the Act; and (iii) shall expire at the same time as the above authority, save that the Company may, before expiry of the power conferred on the Directors by this resolution, make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if such power had not expired.
- 1.4 At the General Meeting expected to be held on 19 October 2022, the following resolutions of the Company will be considered:
  - (a) the Directors be generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot, in aggregate, up to 500 million Ordinary Shares and/or C Shares in connection with the Share Issuance Programme provided that this authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on 31 December 2023 save that the Company shall be entitled to make, prior to the expiry of such authority, any offer or agreement which would or might require Ordinary Shares and/or C Shares to be allotted after the expiry of such authority and the Directors may allot Ordinary Shares and/or C Shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired; and

- (b) the Directors were empowered pursuant to sections 570 and 573 of the Act to allot up to 500 million Ordinary Shares and/or C Shares in connection with the Share Issuance Programme for cash pursuant to the authority conferred by paragraph 1.4(a) above as if section 561(1) of the Act did not apply to such allotment, provided that this authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on 31 December 2023 save that the Company shall be entitled to make, prior to the expiry of such authority, offers or arrangements which would or might require Ordinary Shares and/or C Shares to be allotted after such expiry, and the Directors may allot Ordinary Shares and/or C Shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

## 2. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

- 2.1 Other than as set out in the table below, as at 23 September 2022 (being the last practicable date prior to the publication of this Securities Note), the Company was not aware of any person who was directly or indirectly interested in 3 per cent. of more of the issued share capital of the Company ("**major shareholders**"):

Name	Number of Ordinary Shares	Percentage of issued share capital
INEOS UK E&P Holdings Limited	25,000,000	19.41
Rathbone Investment Management Limited	9,342,373	7.25
Investec Wealth & Investment Limited	7,222,194	5.61
City of Bradford – West Yorkshire Pension Fund	6,500,000	5.05
Stichting Juridisch Eigendom Privium Sustainable Impact Fund	6,040,000	4.69
FS Wealth Management Limited	3,670,000	2.85

- 2.2 Save as set out below, no Director has any interests (beneficial or non-beneficial) in the share capital of the Company as at 23 September 2022 (being the latest practicable date prior to the publication of this Securities Note).

Director	Number of Ordinary Shares currently held
Simon Hogan	40,000
Afkenel Schipstra	10,100
Abigail Rotheroe	10,000
David Bucknall	—

- 2.3 The Company is not aware of any major shareholders which or Directors who intend to subscribe for Shares pursuant to the Share Issuance Programme, nor of any person who intends to subscribe for more than five per cent. of the Share Issuance Programme.

## 3 RIGHTS ATTACHED TO THE SHARES

The Articles contain provisions, *inter alia*, to the following effect:

### 3.1 Voting rights

- (a) Subject to the provisions of the Companies Act, to any special terms as to voting on which any shares may have been issued or may from time-to-time be held and any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company every shareholder who is present in person shall, on a show of hands, have one vote, every proxy who has been appointed by a shareholder entitled to vote on the resolution shall, on a show of hands, have one vote and every shareholder present in person or by proxy shall, on a poll, have one vote for each share of which he is a holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or vest all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

- (b) Unless the Board otherwise determines, no shareholder is entitled to vote at a general meeting or at a separate meeting of shareholders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a shareholder in respect of any share held by him, unless all calls presently payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by such shareholder to the Company have been paid.
- (c) Notwithstanding any other provision of the Articles, where required by the Listing Rules, a vote must be decided by a resolution of the holders of the Company's shares that have been admitted to premium listing. In addition, where the Listing Rules require that a particular resolution must in addition be approved by the independent shareholders (as such term is defined in the Listing Rules), only independent shareholders who hold the Company's shares that have been admitted to premium listing can vote on such separate resolution.

### 3.2 **Dividends**

- (a) Subject to the provisions of the Companies Act and of the Articles, the Company may by ordinary resolution declare dividends to be paid to shareholders according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.
- (b) Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.
- (c) All dividends, interest or other sums payable and unclaimed for a period of 12 months after having become payable may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become payable shall, if the Board so resolves, be forfeited and shall cease to remain owing by, and shall become the property of, the Company.
- (d) The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.
- (e) The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of shares the right to elect to receive shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.
- (f) Unless the Board otherwise determines, the payment of any dividend or other money that would otherwise be payable in respect of shares will be withheld if such shares represent at least 0.25 per cent. in nominal value of their class and the holder, or any other person whom the Company reasonably believes to be interested in those shares, has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed to supply the required information within 14 days. Furthermore such a holder shall not be entitled to elect to receive shares instead of a dividend.

### 3.3 **Distribution of assets on a winding-up and continuation vote**

- (a) If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Companies Act, the liquidator may divide among the Shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he may with the like sanction determine, but no Shareholder shall be compelled to accept any shares or other securities upon which there is a liability.
- (b) An ordinary resolution for the continuation of the Company as a closed-ended investment company will be proposed at the annual general meeting of the Company to be held in 2026 and at every fifth annual general meeting of the Company thereafter. If the resolution is not passed, then the Directors shall put forward for the reconstruction or reorganisation of the Company to the members as soon as reasonably practicable following the date on which the resolution is not passed.

### 3.4 **Transfer of shares**

- (a) Subject to any applicable restrictions in the Articles, each shareholder may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the transferee's name is entered in the register of shareholders.
- (b) The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form (or renunciation of a renounceable letter of allotment) unless:
  - (i) it is in respect of a share which is fully paid up;
  - (ii) it is in respect of only one class of shares;
  - (iii) it is in favour of a single transferee or not more than four joint transferees;
  - (iv) it is duly stamped (if so required); and
  - (v) it is delivered for registration to the registered office for the time being of the Company or such other place as the Board may from time-to-time determine, accompanied (except in the case of (a) a transfer by a recognised person where a certificate has not been issued (b) a transfer of an uncertificated share or (c) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so, provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share in certificated form on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading.

The Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the regulations and the relevant electronic system provided that such refusal does not prevent dealings in shares from taking place on an open and proper basis.

- (c) Unless the Board otherwise determines, a transfer of shares will not be registered if the transferor or any other person whom the Company reasonably believes to be interested in the transferor's shares has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares, has failed to supply the required information within the prescribed period from the service of the notice and the shares in respect of which such notice has been served represent at least

0.25 per cent. in nominal value of their class, unless the shareholder is not himself in default as regards supplying the information required and proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or unless such transfer is by way of acceptance of a takeover offer, in consequence of a sale on a recognised investment exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded or is in consequence of a bona fide sale to an unconnected party.

- (d) If the Board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company or, in the case of an uncertificated share, the date on which appropriate instructions were received by or on behalf of the Company in accordance with the regulations of the relevant electronic system.
- (e) No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any shares.
- (f) If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under section 3(42) of ERISA or the U.S. Tax Code; or (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to register or qualify under the U.S. Investment Company Act, and/or U.S. Investment Advisers Act of 1940 and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act 1934, as amended and/or any laws of any state of the U.S. or other jurisdiction that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the U.S. Securities Exchange Act 1934, as amended; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the U.S. Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder, or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 or any similar legislation in any territory or jurisdiction (including the International Tax Compliance Regulation 2015), including the Company becoming subject to any withholding tax or reporting obligation or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the Shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligations) then any shares which the Directors decide are shares which are so held or beneficially owned ("Prohibited Shares") must be dealt with in accordance with paragraph 5.5.7 below. The Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share.
- (g) The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 calendar days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share. From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholder and those rights will vest in the Chairman of any such meeting, who may exercise or refrain from exercising them entirely at his discretion. If the notice is not complied with within 21 calendar days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share. The net proceeds of sale (after payment of the Company's costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by

the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).

- (h) Upon transfer of a share the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is acquiring shares in an offshore transaction meeting the requirements of Regulation S and is not, nor is acting on behalf of: (i) a benefit plan investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as “plan assets” of any benefit plan investor under Section 3(42) of ERISA; and/or (ii) a U.S. Person.

### 3.5 **Variation of rights**

- (a) Subject to the provisions of the Companies Act, if at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any shares (whether or not the Company may be or is about to be wound up) may from time-to-time be varied or abrogated in such manner (if any) as may be provided in the Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the class.
- (b) The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and at an adjourned meeting not less than one person holding shares of the relevant class or his proxy.

### 3.6 **Alteration of share capital**

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
- (b) subject to the provisions of the Companies Act, sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares;
- (c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; and
- (d) redenominate its share capital by converting shares from having a fixed nominal value in one currency to having a fixed nominal value in another currency.

### 3.7 **Management Shares**

The Management Shares can be redeemed at any time (subject to the provisions of the Companies Act) by the Company and carry the right to receive a fixed annual dividend equal to 0.01 per cent. of the nominal amount of each of the Management Shares payable on demand. For so long as there are shares of any other class in issue, the holders of the Management Shares will not have any right to receive notice of or vote at any general meeting of the Company. If there are no shares of any other class in issue, the holders of the Management Shares will have the right to receive notice of, and to vote at, general meetings of the Company. In such circumstances, each holder of a Management Share who is present in person (or, being a corporation, by representative) or by proxy at a general meeting will have on a show of hands one vote and on a poll every such holder who is present in person (or being a corporation, by representative) or by proxy will have one vote in respect of each Management Share held by him.

### 3.8 C Shares and Deferred Shares

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their Conversion are summarised below.

(a) The following definitions apply for the purposes of this paragraph 3.8 only:

**“Calculation Date”** means, in relation to any tranche of C Shares, the earliest of the:

- (i) close of business on the date on which the Board becomes aware or is notified by the Investment Adviser that at least 85 per cent. of the net issue proceeds attributable to that class of C Share (or such other percentage as the Directors and the Investment Adviser shall agree) shall have been invested in accordance with the Company’s investment objective and policy;
- (ii) close of business on the date falling twelve calendar months (or such other period as may be determined by the Board) after the allotment of that tranche of C Shares or if such a date is not a Business Day, the next following Business Day; or
- (iii) the close of business on such date as the Directors may decide is necessary to enable the Company to comply with its obligations in respect of Conversion of that tranche of C Shares; or
- (iv) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are in contemplation in relation to any tranche of C Shares;

**“Conversion”** means conversion of any tranche of C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (h) below;

**“Conversion Date”** means, in relation to any tranche of C Shares, the close of business on such Business Day as may be selected by the Directors falling not more than 40 Business Days after the Calculation Date of such tranche of C Shares;

**“Conversion Ratio”** is the ratio of the Net Asset Value per C Share of the relevant tranche to the Net Asset Value per Ordinary Share, which is calculated as:

$$\text{Conversion Ratio} = \frac{A}{B}$$

$$A = \frac{(C-D)}{E}$$

$$B = \frac{(F-G)}{H}$$

where:

**“C”** is the aggregate of:

- (i) the value of the investments of the Company attributable to the C Shares of the relevant tranche (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded, as derived from the relevant exchange’s or market’s recognised method of publication of prices for such investments where such published prices are available;
- (ii) the value of all other investments of the Company attributable to the C Shares of the relevant tranche (other than investments included in (i) above) calculated by reference to the Directors’ belief as to an appropriate current value for those investments on the relevant Calculation Date calculated in accordance with the valuation policy adopted by

the Company from time to time after taking into account any other price publication services reasonably available to the Directors; and

- (iii) the amount which, in the Directors' opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the C Shares of the relevant tranche (excluding the investments valued under (i) and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature calculated in accordance with the valuation policy adopted by the Company from time to time);

"D" is the amount (to the extent not otherwise deducted from the assets attributable to the C Shares of the relevant tranche) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares of the relevant tranche on the relevant Calculation Date (including the amount of any declared but unpaid dividends in respect of such C Shares);

"E" is the number of C Shares of the relevant tranche in issue on the relevant Calculation Date;

"F" is the aggregate of:

- (i) the value of all the investments of the Company attributable to the Ordinary Shares (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid price at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded as derived from the relevant exchange's or market's recognised method of publication of prices for such investments where such published prices are available; and
- (ii) the value of all other investments of the Company attributable to the Ordinary Shares (other than investments included in (i) above) calculated by reference to the Directors' belief as to an appropriate current value for those investments on the relevant Calculation Date calculated in accordance with the valuation policy adopted by the Company from time to time after taking into account any other price publication services reasonably available to the Directors; and
- (iii) the amount which, in the Directors' opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the Ordinary Shares (excluding the investments valued under (i) and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature calculated in accordance with the valuation policy adopted by the Company from time to time);

"G" is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the Ordinary Shares on the relevant Calculation Date (including the amount of any declared but unpaid dividends in respect of such Ordinary Shares); and

"H" is the number of Ordinary Shares in issue on the relevant Calculation Date (excluding any Ordinary Shares held in treasury),

provided that the Directors shall make such adjustments to the value or amount of A and B as the Directors believe to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the net proceeds of an issue of C Shares of the relevant tranche and/or to the reasons for the issue of the C Shares of the relevant tranche;

**"Deferred Shares"** means deferred shares of £0.01 each in the capital of the Company arising on Conversion;

**"Existing Shares"** means the Ordinary Shares in issue immediately prior to Conversion;

**“Force Majeure Circumstances”** means, in relation to any tranche of C Shares (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares of the relevant tranche with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

References to Shareholders, C shareholders and deferred shareholders should be construed as references to holders for the time being of Ordinary Shares, C Shares of the relevant tranche and Deferred Shares respectively.

- (b) The holders of the Ordinary Shares, the Management Shares, any tranche of C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:
- (i) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative annual dividend at a fixed rate of 1 per cent. of the nominal amount thereof, the first such dividend (adjusted pro rata temporis) (the **“Deferred Dividend”**) being payable on the date six months after the Conversion Date on which such Deferred Shares were created in accordance with paragraph 5.29 (the **“Relevant Conversion Date”**) and thereafter on each anniversary of such date payable to the holders thereof on the register of shareholders on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of shareholders of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed redemption of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;
  - (ii) the holders of any tranche of C Shares shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of the assets attributable to the C Shares of that tranche and from profits available for distribution which is attributable to the C Shares of that tranche;
  - (iii) a holder of Management Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend 0.01 per cent. per annum on the nominal amount of the Management Shares held by him, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 calendar days of the end of such period;
  - (iv) the Existing Shares shall confer the right to dividends declared in accordance with the Articles;
  - (v) the Ordinary Shares into which any tranche of C Shares shall convert shall rank *pari passu* with the Existing Shares for dividends and other distributions made or declared by reference to a record date falling after the relevant Calculation Date.
- (c) The holders of the Ordinary Shares, the Management Shares, any tranche of C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:
- (i) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when no C Shares of any tranche are for the time being in issue be applied as follows:

- (A) first, if there are Deferred Shares in issue, in paying to the deferred shareholders one cent (£0.01) in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders;
  - (B) secondly, in paying to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon; and
  - (C) thirdly, the surplus shall be divided amongst the Shareholders pro rata according to the nominal capital paid up on their holdings of Ordinary Shares.
- (ii) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when one or more tranches of C Shares are for the time being in issue and prior to the Conversion Date be applied amongst the holders of the Existing Shares pro rata according to the nominal capital paid up on their holdings of Existing Shares, after having deducted therefrom:
  - (A) first, an amount equivalent to (C-D) for each tranche of C Shares in issue using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount(s) shall be applied amongst the C shareholders of the relevant tranche(s) pro rata according to the nominal capital paid up on their holdings of C Shares of the relevant tranche;
  - (B) secondly, if there are Deferred Shares in issue, in paying to the holders of Deferred Shares one cent (£0.01) in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders; and
  - (C) thirdly, in paying to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon,

for the purposes of this paragraph 3.8(c)(ii), the Calculation Date shall be such date as the liquidator may determine; and
- (d) As regards voting:
  - (i) the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Shares as set out in the Articles as if the C Shares and Existing Shares were a single class; and
  - (ii) the Deferred Shares and, save as provided in paragraph 3.7 of this Part 4, the Management Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.
- (e) The following shall apply to the Deferred Shares:
  - (i) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Ordinary Shares arising on Conversion) may be redeemed by the Company in accordance with the terms set out herein;
  - (ii) immediately upon Conversion of any tranche of C Shares, the Company shall redeem all of the Deferred Shares which arise as a result of Conversion of that tranche for an aggregate consideration of one penny (£0.01) for all of the Deferred Shares so redeemed and the notice referred to in paragraph (h)(i)(B)1 below shall be deemed to constitute notice to each C shareholder of the relevant tranche (and any person or persons having rights to acquire or acquiring C Shares of the relevant tranche on or after the Calculation Date) that the Deferred Shares shall be so redeemed; and
  - (iii) the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the redemption moneys in respect of such Deferred Shares.
- (f) Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to the Existing Shares as a class and to the

C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Articles:

- (i) no alteration shall be made to the Articles;
- (ii) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and
- (iii) no resolution of the Company shall be passed to wind-up the Company.

For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Shares and C Shares, as described above, shall not be required in respect of:

- (iv) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Shares by the issue of such further Ordinary Shares); or
  - (v) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Companies Act) in accordance with sections 727 and 731 of the Companies Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).
- (g) For so long as any tranche of C Shares are for the time being in issue, until Conversion of such tranche of C Shares and without prejudice to its obligations under applicable laws the Company shall:
- (i) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares of that tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares of that tranche;
  - (ii) allocate to the assets attributable to the C Shares of that tranche such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the net proceeds of an issue of C Shares and the Calculation Date relating to such tranche of C Shares (both dates inclusive) as the Directors fairly consider to be attributable to that tranche of C Shares; and
  - (iii) give appropriate instructions to the Investment Adviser to manage the Company's assets so that such undertakings can be complied with by the Company.
- (h) In relation to any tranche of C Shares, the C Shares for the time being in issue of that tranche shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph (h):
- (i) the Directors shall procure that within 10 Business Days of the relevant Calculation Date:
    - (A) the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares and Deferred Shares to which each C Shareholder of that tranche shall be entitled on Conversion of that tranche shall be calculated; and
    - (B) the Auditors shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of H in paragraph (a) above.
- 1) The Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the relevant Calculation

Date, a notice is sent to each C shareholder of the relevant tranche advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which such C shareholder of the relevant tranche will be entitled on Conversion.

- 2) On conversion each C Share of the relevant tranche shall automatically subdivide into 10 conversion shares of £0.01 each and such conversion shares of £0.01 each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
  - the aggregate number of Ordinary Shares into which the same number of conversion shares of one penny (£0.01) each are converted equals the number of C Shares of the relevant tranche in issue on the relevant Calculation Date multiplied by the relevant Conversion Ratio (rounded down to the nearest whole new Ordinary Share); and
  - each conversion share of one penny (£0.01) which does not so convert into an Ordinary Share shall convert into one Deferred Share.
- 3) The Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C shareholders of the relevant tranche pro rata according to their respective former holdings of C Shares of the relevant tranche (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- 4) Forthwith upon Conversion, the share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each former C shareholder of the relevant tranche new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued.
- 5) The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

## **4 CITY CODE ON TAKEOVERS AND MERGERS**

### **4.1 Mandatory bid**

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in shares which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

## 4.2 Compulsory acquisition

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises its rights, the offeror is bound to acquire those shares on the terms of the takeover offer or on such other terms as may be agreed.

## 5 WORKING CAPITAL

The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least the next 12 months from the date of this Securities Note.

## 6 CAPITALISATION AND INDEBTEDNESS

The information below should be read together with the Company's consolidated financial information of the Registration Document. The tables below are prepared for illustrative purposes only.

The capitalisation information as at 30 June 2022 set out below has been extracted without material adjustment from the Company's interim report for the six month period ended 30 June 2022, which is incorporated by reference in Part 6 (Financial Information) of the Registration Document:

	<b>As at 30 June 2022 (£'000)</b>
<b>Shareholders' equity</b>	
Share capital	1,288
Share premium	124,763
Capital reserve	182
Revenue reserve	(1,466)
<b>Total capitalisation</b>	<hr/> 124,767 <hr/>

There has been no material change in the Company's capitalisation since 30 June 2022.

The following table sets out the Company's internal accounting records, shows the Company's unaudited gross indebtedness as at 30 June 2022 (being the last date in respect of which unaudited financial information is available):

	<b>As at 30 June 2022 (Unaudited) (£'000)</b>
<b>Total current debt</b>	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
<b>Total non-current debt (excluding current portion of long-term debt)</b>	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—

The following table sets out the Company's unaudited net financial indebtedness as at 30 June 2022 (being the last date in respect of which unaudited financial information is available):

	<b>As at 30 June 2022 (Unaudited) (£'000)</b>
A. Cash	29,863
B. Cash equivalents	—
C. Financial assets held at fair value	5,433
D. Liquidity (A+B+C)	35,296
E. Current financial receivables	—
F. Current bank debt	—
G. Current portion of non-current debt	—
H. Other current financial debt	—
I. Current financial debt (F+G+H)	—
J. Net-current financial indebtedness (I-E-D)	35,296
K. Non-current bank debt	—
L. Bonds issued	—
M. Non-current other financial debt	—
N. Non-current financial indebtedness (K+L+M)	—
O. Net financial indebtedness/(Net cash surplus) (J+N)	35,296

The Company had no other indirect or contingent liabilities, or any contingent commitments as at 30 June 2022.

Since 1 July 2022, the Company has made an investment of £8,500,000 in Strohm Holding B.V. through the HydrogenOne Partnership.

## **7 GENERAL**

- 7.1 No application is being made for the Shares to be dealt with in or on any stock exchange or investment exchange other than the main market for listed securities of the London Stock Exchange.
- 7.2 The total net proceeds of the Share Issuance Programme will depend on the number of Shares issued throughout the life of the Share Issuance Programme, the applicable Share Issuance Programme Price of such Shares and the aggregate cost and commissions for each Issue under the Share Issuance Programme.

- 7.3 Where third party information has been referenced in this Securities Note, the source of that third party information has been disclosed. All information in this Securities Note that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Dated: 26 September 2022

## PART 4

### DEFINITIONS

The following definitions apply throughout this Securities Note unless the context requires otherwise:

<b>Administrator or Company Secretary</b>	Sanne Fund Services (UK) Limited
<b>Admission</b>	admission of any Shares issued pursuant to any Issue under the Share Issuance Programme to the premium listing segment of the Official List and admission of such Shares to trading on the main market for listed securities of the London Stock Exchange
<b>Affiliate</b>	an affiliate of, or person affiliated with, a specified person, including a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
<b>AIFM</b>	Sanne Fund Management (Guernsey) Limited
<b>alternative investment fund manager</b>	an alternative investment fund manager within the meaning of the UK AIFM Regime and the EU AIFM Directive
<b>Articles</b>	the articles of association of the Company
<b>Benefit Plan Investor</b>	(i) an employee benefit plan that is subject to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA (including, as applicable, assets of an insurance company general account) or a plan that is subject to the prohibited transaction provisions of section 4975 of the U.S. Tax Code (including an individual retirement account), (ii) an entity whose underlying assets include “plan assets” by reason of a Plan’s investment in the entity, or (iii) any “benefit plan investor” as otherwise defined in section 3(42) of ERISA or regulations promulgated by the U.S. Department of Labor
<b>Business Day</b>	any day which is not a Saturday or Sunday, Christmas Day, Good Friday or a bank holiday in the City of London
<b>Calculation Date</b>	has the meaning given in paragraph 3.7 of Part 3 of this Securities Note
<b>Capital gains tax or CGT</b>	UK taxation of capital gains or corporation tax on chargeable gains, as the context may require
<b>certificated or in certificated form</b>	not in uncertificated form
<b>City Code</b>	the City Code on Takeovers and Mergers
<b>Companies Act</b>	the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force
<b>Company</b>	HydrogenOne Capital Growth plc
<b>Conversion</b>	the conversion of C Shares into Ordinary Shares in accordance with the Articles and as described in paragraph 3.7 of Part 3 of this Securities Note
<b>Conversion Date</b>	has the meaning given in paragraph 3.7 of Part 3 of this Securities Note
<b>Conversion Ratio</b>	has the meaning given in paragraph 3.7 of Part 3 of this Securities Note

<b>CREST</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>C Shares</b>	C shares of £0.10 each in the capital of the Company
<b>CTA 2009</b>	Corporation Tax Act 2009 and any statutory modification or re-enactment thereof for the time being in force
<b>CTA 2010</b>	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
<b>Custodian</b>	The Northern Trust Company
<b>Directors</b>	the directors from time to time of the Company and “ <b>Director</b> ” is to be construed accordingly
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the Financial Conduct Authority under section 73A of FSMA
<b>DP Legislation</b>	the laws which govern the handling of personal data, including but not limited to the General Data Protection Regulation (EU) 2016/679, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
<b>DvP</b>	delivery versus payment
<b>EEA</b>	the states which comprise the European Economic Area
<b>EFTA</b>	the European Free Trade Association
<b>ERISA</b>	U.S. Employee Retirement Income Security Act of 1976, as amended
<b>EU AIFM Directive</b>	the EU’s Alternative Investment Fund Managers directive (No. 2071/61/EU) and all legislation made pursuant thereto, including, where applicable, the applicable implementing legislation and regulations in each member state of the European Union
<b>EU Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
<b>Euro</b>	the single European currency unit adopted by certain members of the EU
<b>Euroclear</b>	Euroclear UK & International Limited, being the operator of CREST
<b>European Union or EU</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992
<b>EUWA</b>	European Union (Withdrawal) Act 2018 (as amended)
<b>FATCA</b>	the U.S. Foreign Account Tax Compliance Act of 2010, as amended
<b>FCA</b>	the Financial Conduct Authority or any successor authority
<b>FCA Handbook</b>	the FCA handbook of rules and guidance as amended from time to time
<b>FSMA</b>	the Financial Services and Markets Act 2000 and any statutory modification or re-enactment thereof for the time being in force

<b>Future Securities Note</b>	a securities note to be issued in the future by the Company in respect of each issue, if any, of Ordinary Shares and/or C Shares (other than pursuant to a Placing-Only Issue under the Share Issuance Programme) pursuant to the Share Issuance Programme made pursuant to the Registration Document and subject to separate approval by the FCA
<b>Future Summary</b>	a summary to be issued in the future by the Company in respect of each issue, if any, of Ordinary Shares and/or C Shares (other than pursuant to a Placing-Only Issue under the Share Issuance Programme) pursuant to the Share Issuance Programme made pursuant to the Registration Document and subject to separate approval by the FCA
<b>General Meeting</b>	the general meeting of the Company to be held at 11.00 am on 19 October 2022
<b>Group</b>	the Company and the other companies in its group for the purposes of Section 606 of CTA 2010
<b>HMRC</b>	Her Majesty's Revenue and Customs
<b>Hydrogen Assets</b>	has the meaning given to it in paragraph 2 of Part 2 of the Registration Document
<b>IFRS</b>	UK-adopted international accounting standards
<b>IGAs</b>	intergovernmental agreements
<b>INEOS Energy</b>	INEOS UK E&P Holdings Limited
<b>Investible Universe</b>	has the meaning given to it in paragraph 2 of Part 4 of the Registration Document
<b>Investment Adviser</b>	HydrogenOne Capital LLP
<b>ISA</b>	UK individual savings account
<b>ISIN</b>	International Securities Identification Number
<b>Issue</b>	any issue of Shares pursuant to the Share Issuance Programme
<b>LEI</b>	Legal Entity Identifier
<b>Listing Rules</b>	the listing rules made by the FCA under section 73A of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Net Asset Value</b>	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
<b>Net Asset Value per C Share</b>	at any time the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue (other than C Shares held in treasury) at the date of calculation
<b>Net Asset Value per Ordinary Share</b>	at any time the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
<b>Net Asset Value per Share</b>	means Net Asset Value per Ordinary Share and/or Net Asset Value per C Share, as the context requires
<b>NURS</b>	non-UCITS retail scheme

<b>Official List</b>	the official list maintained by the FCA pursuant to Part VI of FSMA
<b>Ordinary Shares</b>	ordinary shares of one penny each in the capital of the Company and “ <b>Ordinary Share</b> ” shall be construed accordingly
<b>Overseas Persons</b>	a potential investor who is not resident in, or who is not a citizen of, the UK
<b>Panmure Gordon</b>	Panmure Gordon (UK) Limited
<b>Pipeline</b>	has the meaning given to it in paragraph 2 of Part 4 of this Registration Document
<b>Placees</b>	any person who agrees to subscribe for Ordinary Shares pursuant to any future placing under the Share Issuance Programme
<b>Placing-Only Issue</b>	an issue under the Share Issuance Programme which comprises only a placing and does not include an offer for subscription, an intermediaries offer or an open offer component and, for the avoidance of doubt, excludes any other offer of securities which is not exempt from the requirement to produce a prospectus pursuant to section 85 of FSMA
<b>Plans</b>	a tax qualified annuity plan described in section 405 of the U.S. Tax Code and an individual retirement account or individual retreat annuity as described in section 408 of the U.S. Tax Code
<b>POI Law</b>	the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended
<b>Portfolio</b>	the current portfolio as at the date of this Securities Note as set out in the Registration Document
<b>Private Hydrogen Assets</b>	has the meaning given to it in paragraph 2 of Part 2 of the Registration Document
<b>Privacy Notice</b>	the Company's privacy notice, a copy of which is available for consultation on the Company's website at <a href="http://www.hydrogenonecapitalgrowth.com/privacy-notice/">www.hydrogenonecapitalgrowth.com/privacy-notice/</a>
<b>Product Governance Requirements</b>	has the meaning given to it on page 14 of this Securities Note
<b>Prospectus</b>	<p>(i) in relation to any Placing-Only Issues; together the Summary, the Registration Document and this Securities Note</p> <p>(ii) in relation to any Issue (not being a Placing-Only Issue); together the Future Summary and Future Securities Note applicable to such Issue and the Registration Document</p> <p>in each case as may be supplemented from time to time by any supplementary prospectuses</p>
<b>Prospectus Regulation Rules</b>	the prospectus regulation rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>QIB</b>	qualified institutional buyers, as defined in Rule 144A under the U.S. Securities Act

<b>QP</b>	qualified purchasers, as defined in the U.S. Investment Company Act
<b>Register</b>	the register of members of the Company
<b>Registrar</b>	Computershare Investor Services PLC
<b>Registration Document</b>	the registration document dated 26 September 2022 approved by the FCA and issued by the Company in respect of the Share Issuance Programme
<b>Regulation S</b>	Regulation S promulgated under the U.S. Securities Act
<b>Regulatory Information Service</b>	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
<b>Relevant Member State</b>	a member state of the European Economic Area which has implemented the EU Prospectus Regulation
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting (and references to any of them shall be construed accordingly)
<b>Securities Note</b>	this Securities Note
<b>SEDOL</b>	the Stock Exchange Daily Official List
<b>Shareholder</b>	a holder of Shares
<b>Share Issuance Agreement</b>	the conditional share issuance agreement between the Company, the Investment Adviser and Panmure Gordon, a summary of which is set out in paragraph 7.1 of Part 7 of the Registration Document
<b>Share Issuance Programme</b>	the proposed share issuance programme as described in this Securities Note
<b>Share Issuance Programme Price</b>	the price at which Shares will be issued pursuant to any Issue under the Share Issuance Programme, as set out in this Securities Note (please see the section entitled “Calculation of Applicable Issue Price” on page 16 of this Securities Note)
<b>Shares</b>	Ordinary Shares and/or C Shares (as the context may require)
<b>Similar Law</b>	any U.S. federal, state, local or foreign law that is similar to section 406 of ERISA or section 4975 of the U.S. Tax Code
<b>SIPP</b>	a self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK
<b>SSAS</b>	a small self-administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the UK
<b>Sterling or £ or pence</b>	the lawful currency of the United Kingdom
<b>Summary</b>	the summary dated 26 September 2022 issued by the Company in respect of Ordinary Shares and/or C Shares made available pursuant to any Placing-Only Issue and approved by the FCA
<b>Target Market Assessment</b>	has the meaning defined on page 14 of this Securities Note
<b>Technical Adviser</b>	Ove Arup & Partners Ltd

<b>UK AIFM Regime</b>	the UK implementation of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, which are part of UK law by virtue of the EUWA, as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019, all as may be amended from time to time
<b>UK MAR</b>	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
<b>UK MiFID II</b>	the UK's implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID), together with the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR), which forms part of the domestic law of the United Kingdom by virtue of the EUWA
<b>UK MiFID II Delegated Regulation</b>	Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
<b>UK Money Laundering Regulations</b>	the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2007/692) and any other applicable anti-money laundering guidance, regulations or legislation
<b>UK PRIIPs Regulation</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products, together with its implementing and delegated acts, as they form part of the domestic law of the United Kingdom by virtue of the EUWA
<b>UK Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland

<b>United States of America, United States or U.S.</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>U.S. Code</b>	U.S. Internal Revenue Code of 1986, as amended
<b>U.S. Exchange Act</b>	the United States Securities Exchange Act 1934, as amended from time to time
<b>U.S. Investment Company Act</b>	U.S. Investment Company Act of 1940, as amended
<b>U.S. Person</b>	any person who is a U.S. person within the meaning of Regulation S adopted under the U.S. Securities Act
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933, as amended
<b>VAT</b>	value added tax

## PART 5

### TERMS AND CONDITIONS OF ANY PLACING-ONLY ISSUE

#### 1. INTRODUCTION

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN ANY PLACING-ONLY ISSUE. THE TERMS AND CONDITIONS SET OUT HEREIN ARE DIRECTED ONLY AT PERSONS SELECTED BY PANMURE GORDON (UK) LIMITED ("**PANMURE GORDON**") WHO ARE "INVESTMENT PROFESSIONALS" FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "**FPO**") OR "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" FALLING WITHIN ARTICLE 49(2) OF THE FPO OR TO PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED UNDER THE FPO (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). ONLY RELEVANT PERSONS MAY PARTICIPATE IN A PLACING-ONLY ISSUE AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS.

THE SHARES THAT ARE THE SUBJECT OF ANY PLACING-ONLY ISSUE ARE NOT BEING OFFERED OR SOLD TO ANY PERSON IN THE UNITED KINGDOM OR THE EUROPEAN ECONOMIC AREA ("**EEA**"), OTHER THAN TO PERSONS WHO ARE BOTH (I) "QUALIFIED INVESTORS" AS DEFINED IN ARTICLE 2(E) OF THE UK PROSPECTUS REGULATION OR ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION (AS APPLICABLE), WHICH INCLUDES LEGAL ENTITIES WHICH ARE REGULATED BY THE FINANCIAL CONDUCT AUTHORITY (IN THE UK) OR ENTITIES WHICH ARE NOT SO REGULATED WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES AND (II) PERSONS TO WHOM THE SHARES MAY BE LAWFULLY MARKETING UNDER THE UK AIFM REGIME OR THE EU AIFM DIRECTIVE OR THE APPLICABLE IMPLEMENTING LEGISLATION (IF ANY) OF THE MEMBER STATE OF THE EEA IN WHICH SUCH PERSON IS DOMICILED OR IN WHICH SUCH PERSON HAS A REGISTERED OFFICE (AS APPLICABLE).

FURTHER, PROSPECTIVE PARTICIPANTS IN ANY PLACING-ONLY ISSUE MUST READ THE NOTICES TO OVERSEAS INVESTORS IN THE SECTION ENTITLED "IMPORTANT INFORMATION" OF THIS SECURITIES NOTE.

Panmure Gordon, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and for no one else in connection with the Share Issuance Programme, each placing under it and the matters referred to in the Prospectus, will not regard any other person as their respective clients in relation to any placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Panmure Gordon or for providing advice in relation to the Share Issuance Programme, any placing under it, or any other matters referred to herein. This does not exclude any responsibilities or liabilities of Panmure Gordon under FSMA or the regulatory regime established thereunder.

Each Placee which confirms its agreement (whether orally or in writing) to Panmure Gordon to acquire Shares pursuant to any Placing-Only Issue under the Share Issuance Programme will be bound by these terms and conditions and will be deemed to have accepted them. By participating in any Placing-Only Issue under the Share Issuance Programme, each Placee is deemed to have read and understood the Prospectus in its entirety and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained in this Part 5.

Panmure Gordon may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter (a "**Placing Letter**"). The terms of this Part 6 will be deemed to be incorporated into any such Placing Letters.

## **2. AGREEMENT TO SUBSCRIBE FOR SHARES**

Conditionally upon:

- 2.1 in the case of any relevant Placing-Only Issue Resolutions 1 and 2 being passed at the General Meeting (if more than 10,735,000 Ordinary Shares are issued pursuant to the Share Issuance Programme);
- 2.2 in the case of any relevant Placing-Only Issue, Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company and Panmure Gordon may agree from time to time in relation to that Admission, not being later than 26 September 2023;
- 2.3 in the case of any relevant Placing-Only Issue, the Share Issuance Agreement becoming wholly unconditional in all respects in relation to that Placing-Only Issue (save as to that Admission), and not having been terminated in accordance with its terms at any time prior to that Admission; and
- 2.4 Panmure Gordon confirming to Placees their allocation of Shares,

each Placee agrees to become a member of the Company and agrees to subscribe for those Shares allocated to it by Panmure Gordon at the Placing and at the applicable Share Issuance Programme Price.

If: (a) the conditions under the Share Issuance Agreement and above are not fulfilled (or, to the extent permitted under the Share Issuance Agreement, have not been waived by Panmure Gordon); or (b) the Share Issuance Agreement is terminated in accordance with its terms, the relevant Placing-Only Issue, will lapse and each Placee's rights and obligations under the relevant Placing-Only Issue shall cease and determine at such time and no claim may be made by a Placee in respect thereof. Panmure Gordon shall not have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Share Issuance Agreement or in respect of any Placing-Only Issue under the Share Issuance Programme generally.

By participating in a Placing-Only Issue, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described in this Securities Note. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

## **3. PAYMENT FOR SHARES AND APPLICATION PROCESS**

Each Placee must pay the Share Issuance Programme Price for the Shares issued to the Placee in the manner and by such time as directed by Panmure Gordon. If any Placee fails to pay as so directed and/or by the time required by Panmure Gordon, the relevant Placee's application for Shares shall, at the discretion of Panmure Gordon, either be rejected, or shall be accepted and the Placee shall be deemed hereby to have appointed Panmure Gordon or any nominee of Panmure Gordon as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Shares allocated to the Placee in respect of which payment shall not have been made as directed, and to indemnify Panmure Gordon and its affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

A sale of all or any of such Shares shall not release the relevant Placee from the obligation to make such payment for relevant Shares to the extent that Panmure Gordon or any nominee has failed to sell such Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the Share Issuance Programme Price.

Prospective Placees will be identified and contacted by Panmure Gordon. Panmure Gordon will re-contact and confirm orally to Placees the size of their respective allocations and a trade confirmation will be dispatched as soon as possible thereafter. Panmure Gordon's oral or written

confirmation of the size of allocations and each Placee's oral commitment to accept the same or such lesser number as determined by Panmure Gordon will constitute a legally binding agreement pursuant to which each such Placee will be required to accept the number of Shares allocated to the Placee at the applicable issue price and otherwise on the terms and subject to the conditions set out in these terms and conditions.

The Company (after consultation with Panmure Gordon and the Investment Adviser) reserves the right to scale back the number of Shares to be subscribed by any Placee in the event of an oversubscription in the relevant Placing-Only Issue. The Company, Panmure Gordon and the Investment Adviser also reserve the right not to accept offers to subscribe for Shares or to accept such offers in part rather than in whole. Panmure Gordon shall be entitled to effect each Placing-Only Issue by such method as they shall in their discretion determine. To the fullest extent permissible by law, neither Panmure Gordon nor any Affiliate of it nor any person acting on behalf of any of the foregoing shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Panmure Gordon nor any Affiliate thereof nor any person acting on their behalf shall have any liability to Placees in respect of their conduct of any Placing-Only Issue. No commissions will be paid to Placees or directly by Placees in respect of any Shares allotted pursuant to any Placing-Only Issue.

Each Placee's obligations will be owed to the Company and Panmure Gordon. Following the oral or written confirmation(s) referred to above, each Placee will have an immediate, separate, irrevocable and binding obligation, to pay to Panmure Gordon (or as either may direct, as appropriate) in cleared funds an amount equal to the product of the Share Issuance Programme Price and the number of Shares which such Placee has agreed to acquire under any Placing-Only Issue, as applicable. Commitments under the Placing or any Placing-Only Issue, once made, cannot be withdrawn without the consent of the Directors (and the Placee hereby agrees that if following any publication of a supplementary prospectus under Article 23 of the UK Prospectus Regulation it chooses to exercise its statutory right of withdrawal, it will immediately resubscribe for the number of Shares previously comprising its commitment). The Company shall allot such Shares to each Placee (or to Panmure Gordon for onward transmission to the relevant Placee) following each Placee's payment to the Bookrunner of such amount.

Each Placee agrees to indemnify on demand and hold each of the Company, Panmure Gordon, the AIFM and the Investment Adviser and their respective Affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the acknowledgements, undertakings, representations, warranties and agreements set forth in these terms and conditions, as supplemented by any Placing Letter.

#### **4. REPRESENTATIONS AND WARRANTIES**

By agreeing to subscribe for Shares under any Placing-Only Issue, each Placee which enters into a commitment with Panmure Gordon to subscribe for Shares will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, Panmure Gordon, the Investment Adviser, the AIFM and the Registrar and their respective officers, agents and employees that:

- 4.1 it has carried out its own investigation on the Company and the Shares and it is relying solely on the Prospectus and any supplementary prospectus issued by the Company prior to the relevant Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Company and/or any Placing-Only Issue. It agrees that none of the Company, Panmure Gordon, the Investment Adviser, the AIFM or the Registrar nor any of their respective officers, agents or employees will have any liability for any other information, representation or statement made or purported to be made by them or on its or their behalf in connection with the Company and/or any Placing-Only Issue and irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

- 4.2 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of Shares and is not acting on a non-discretionary basis for any such person;
- 4.3 if the laws of any territory or jurisdiction outside England and Wales are applicable to its agreement to subscribe for Shares under any Placing-Only Issue, it has complied with all such laws, obtained all governmental and other consents, licences and authorisations which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the breach, whether by itself, the Company, Panmure Gordon, the Investment Adviser, the AIFM, the Registrar or any of their respective directors, officers, agents or employees of the regulatory or legal requirements, directly or indirectly, of any other territory or jurisdiction in connection with any Placing-Only Issue;
- 4.4 it has carefully read and understands the Prospectus in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 5, the Articles as in force at the relevant date of Admission and agrees that in accepting a participation in any Placing-Only Issue it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Shares;
- 4.5 it has not relied on Panmure Gordon or any person affiliated with Panmure Gordon in connection with any investigation of the accuracy or completeness of any information contained in the Prospectus or any supplementary prospectus published by the Company prior to the relevant Admission;
- 4.6 the content of the Prospectus and any supplementary prospectus published by the Company prior to the relevant Admission is exclusively the responsibility of the Company and the Directors, and Panmure Gordon nor their affiliates nor any person acting on its or their behalf is responsible for or shall have any liability for any information, representation or statement contained in the Prospectus or any supplementary prospectus published by the Company prior to the relevant Admission or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in any Placing-Only Issue based on any information, representation or statement contained in the Prospectus or any supplementary prospectus published by the Company prior to the relevant Admission or otherwise;
- 4.7 it acknowledges that no person is authorised in connection any Placing-Only Issue to give any information or make any representation other than as contained in the Prospectus and any supplementary prospectus published by the Company prior to the relevant Admission and, if given or made, any information or representation must not be relied upon as having been authorised by Panmure Gordon or the Company;
- 4.8 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 4.9 it accepts that none of the Shares have been or will be registered under the securities laws, or with any securities regulatory authority of, the United States, any member state of the EEA (other than any EEA member state where the Shares are lawfully marketed), Australia, Canada, the Republic of South Africa or Japan (each a “**Restricted Jurisdiction**”). Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 4.10 it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

- 4.11 if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the “**FPO**”) or it is a person to whom the Shares may otherwise lawfully be offered under the FPO and/or is a person who is a “professional client” or an “eligible counterparty” within the meaning of Chapter 3 of the FCA’s Conduct of Business Sourcebook;
- 4.12 if it is a resident of a Relevant Member State, it is: (a) a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation, and (b) if the Relevant Member State has implemented the EU AIFM Directive, it is a person to whom the Shares may lawfully be marketed to under the EU AIFM Directive or under the applicable implementing legislation (if any) of the Relevant Member State;
- 4.13 in the case of any Shares acquired by an investor as a financial intermediary within a Relevant Member State (as that term is used in Article 5(1) of the EU Prospectus Regulation), (i) the Shares acquired by it in the Placing or in any Placing-Only Issue have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of Panmure Gordon has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;
- 4.14 if it is outside the United Kingdom, neither the Prospectus, nor any part thereof, nor any other offering, marketing or other material in connection with any Placing-Only Issue constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares pursuant to any Placing-Only Issue unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other legal requirements;
- 4.15 if it is in Guernsey, it is a person licensed under any of the POI Law, or the Banking Supervision (Bailiwick of Guernsey) Law, 2020, or the Insurance Business (Bailiwick of Guernsey) Law, 2020, or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2020 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020 (and in each case any statutory modification or re-enactment thereof for the time being in force);
- 4.16 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;
- 4.17 if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor’s agreement to subscribe for Shares under the relevant Placing-Only Issue, and will not be any such person on the date any such relevant Placing-Only Issue commitment is accepted;
- 4.18 it has complied with and will comply with all applicable provisions of the Criminal Justice Act 1993, the Proceeds of Crime Act 2002 and UK MAR with respect to anything done by it in relation to the relevant Placing-Only Issue;
- 4.19 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus, or any part thereof, or any other offering materials concerning any Placing-Only Issue or the Shares to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- 4.20 it acknowledges that neither Panmure Gordon nor any of its respective affiliates nor any person acting on its behalf makes any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with any Placing-Only Issue or providing any advice in relation to any Placing-Only Issue, that participation in any Placing-Only Issue is on

the basis that it is not and will not be a client of Panmure Gordon or any of its affiliates and that Panmure Gordon and any of its affiliates do not have any duties or responsibilities to a Placee for providing protections afforded to its clients or for providing advice in relation to any Placing-Only Issue nor in respect of any representations, warranties, undertakings or indemnities contained in the Share Issuance Agreement;

- 4.21 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no documents are being issued by Panmure Gordon in its capacity as an authorised person under section 21 of FSMA and such documents may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- 4.22 it irrevocably appoints any Director of the Company and any director of Panmure Gordon to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares for which it has given a commitment under the relevant Placing-Only Issue, in the event of the failure of it to do so;
- 4.23 it accepts that if the relevant Placing-Only Issue does not proceed or the conditions to the Share Issuance Agreement are not satisfied or the Shares for which valid applications are received and accepted are not admitted to the premium listing segment of the Official List or to trading on the Main Market for any reason whatsoever then none of Panmure Gordon, the Company, the Investment Adviser or the AIFM, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives shall have any liability whatsoever to it or any other person;
- 4.24 in connection with its participation any Placing-Only Issue it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering ("**Money Laundering Legislation**") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the UK Money Laundering Regulations in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (Council Directive No. 91/308/EEC) (the "**Money Laundering Directive**"); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
- 4.25 it acknowledges that due to anti-money laundering and the countering of terrorist financing requirements, Panmure Gordon, the Investment Adviser, the AIFM, the Registrar and/or the Company and/or their agents may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Panmure Gordon, and/or the Company and/or their agents may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Panmure Gordon, the Company and/or their agents against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis;
- 4.26 if it is acting as a "distributor" (for the purposes of the Product Governance Requirements and/or EU Directive 2014/65/EU on markets in financial instruments, as amended ("**EU MiFID II**")):
  - (a) it acknowledges that the Target Market Assessment undertaken by the Investment Adviser and Panmure Gordon does not constitute: (a) an assessment of suitability or

appropriateness for the purposes of UK MiFID II or for EU MIFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels;

- (b) notwithstanding any Target Market Assessment undertaken by the Investment Adviser and Panmure Gordon, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market;
  - (c) it acknowledges that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom; and
  - (d) it agrees that if so required by Investment Adviser and Panmure Gordon, it shall provide aggregate summary information on sales of the Shares as contemplated under rule 3.3.30(R) of the PROD Sourcebook and information on the reviews carried out under rules 3.3.26(R) to 3.3.28(R) of the PROD Sourcebook;
- 4.27 Panmure Gordon and the Company are entitled to exercise any of their rights under the Share Issuance Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);
- 4.28 the representations, undertakings and warranties given by it are irrevocable. It acknowledges that Panmure Gordon, the Company, the Investment Adviser and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or agreements made or deemed to have been made by its subscription of the Shares are no longer accurate, it shall promptly notify Panmure Gordon and the Company;
- 4.29 where it or any person acting on behalf of it is dealing with Panmure Gordon any money held in an account with Panmure Gordon on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Panmure Gordon to segregate such money, as that money will be held by Panmure Gordon under a banking relationship and not as trustee;
- 4.30 any of its clients, whether or not identified to Panmure Gordon, will remain its sole responsibility and will not become clients of Panmure Gordon for the purposes of the rules of the FCA or for the purposes of any statutory or regulatory provision;
- 4.31 it accepts that the allocation of Shares shall be determined by the Directors in their absolute discretion (after consultation with Panmure Gordon and the Investment Adviser) and that such persons may scale back any placing commitments in respect of any Placing-Only Issue for this purpose on such basis as the Directors may determine; and
- 4.32 time shall be of the essence as regard its obligations to settle payment for the Shares and to comply with their other obligations under the relevant Placing-Only Issue.

## **5. PURCHASE AND TRANSFER RESTRICTIONS**

By participating in the relevant Placing-Only Issue, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, Panmure Gordon, the Investment Adviser, the AIFM and the Registrar that:

- 5.1 either (x), it is not a U.S. Person, is not located within the United States, is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Shares for the account or benefit of a U.S. Person or (y) it is both a “qualified institutional buyer” (as the term is defined in Rule 144A under the U.S. Securities Act) that is also a “qualified purchaser” within the meaning of Section 2(a)(51) of the U.S. Investment Company Act;
- 5.2 if it is located inside the United States or is a U.S. Person, it is a “qualified institutional buyer” (as the term is defined in Rule 144A under the U.S. Securities Act) that is also a “qualified purchaser” within the meaning of Section 2(a)(51) of the U.S. Investment Company Act, and the related rules thereunder and is acquiring the Shares for its own account or for the account of one or more “qualified institutional buyers” that are also “qualified purchasers” for which it is acting as a duly authorized agent or for a discretionary account with respect to which it exercises sole investment discretion and not with a view to any resale, distribution or other disposition of any such securities in violation of any US federal or state securities laws;
- 5.3 it acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act;
- 5.4 it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- 5.5 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a “plan” as defined in section 4975 of the U.S. Tax Code, including an individual retirement account, that is subject to section 4975 of the U.S. Tax Code; or (iii) an entity whose underlying assets include the assets of any such “employee benefit plan” or “plans” by reason of ERISA or the U.S. Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the “**Plan Assets Regulation**”), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the U.S. Tax Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the U.S. Tax Code, its purchase, holding, and disposition of the Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 5.6 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act and under circumstances which: (a) will not require the Company to register under the U.S. Investment Company Act; and (b) will not result in the assets of the Company constituting “plan assets” within the meaning of ERISA or the Plan Assets Regulation;
- 5.7 if any Shares offered and sold are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

“HYDROGENONE CAPITAL GROWTH PLC (THE “**COMPANY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**U.S. INVESTMENT COMPANY ACT**”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE

**"U.S. SECURITIES ACT"**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE U.S. SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN THE ASSETS OF THE COMPANY CONSTITUTING "PLAN ASSETS" WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR THE PLAN ASSETS REGULATION;"

- 5.8 if it is a person described in paragraph 5.2 above and, if in the future it decides to offer, resell, pledge or otherwise transfer any of the Shares, it understands and acknowledges that the Shares are "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and such Shares may be offered, resold, pledged or otherwise transferred only: (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise, upon delivery to the Company of an exit certificate executed by the transferor in a form reasonably satisfactory to the Company, or (ii) to the Company or a subsidiary thereof;
- 5.9 it is purchasing the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;
- 5.10 it acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under the U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding of Shares by such person will not violate or require registration under the U.S. securities laws to transfer such Shares or interests in accordance with the Articles;
- 5.11 it acknowledges and understands that the Company is required to comply with the U.S. Foreign Account Tax Compliance Act ("**FATCA**") and that the Company will follow FATCA's extensive reporting and withholding requirements from their effective date. The Placee agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
- 5.12 it is entitled to acquire the Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, Panmure Gordon, the Investment Adviser, the AIFM or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in any Placing-Only Issue;
- 5.13 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Shares to or within the United States or to any U.S. Persons, nor will it do any of the foregoing; and
- 5.14 if it is acquiring any Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make

such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, Panmure Gordon, the Investment Adviser, the AIFM and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements. If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor must immediately notify the Company and Panmure Gordon.

## **6. DATA PROTECTION**

6.1 Each Placee acknowledges and agrees that it has been informed that, pursuant to the EU General Data Protection Regulation 2016/679 ("**EU GDPR**") and/or the EU GDPR as it forms part of domestic law of the United Kingdom by virtue of the EUWA ("**UK GDPR**") and the UK Data Protection Act 2018 (as amended from time to time) (together, the "**DP Legislation**") the Company and/or the Registrar may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company's privacy notice, which is available for review on the Company's website <https://hydrogenonecapitalgrowthplc.com/privacy-notice/> (the "**Privacy Notice**"), including for the purposes set out below (collectively, the "**Purposes**"), being to:

- (a) process the personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with the Placee's holding of Shares, including processing personal data in connection with credit and money laundering checks on the Placee;
- (b) communicate with the Placee as necessary in connection with its affairs and generally in connection with its holding of Shares;
- (c) comply with the legal and regulatory obligations of the Company, and/or the Registrar; and
- (d) process the personal data for the Registrar's internal administration.

6.2 In order to meet the Purposes, it will be necessary for the Company and the Registrar to provide personal data to:

- (a) third parties located either within, or outside of the United Kingdom (or the EEA, to the extent that the EU GDPR applies in respect of the personal data being shared), if necessary for the Company or the Registrar to perform its functions, or when it is necessary for its legitimate interests, and in particular in connection with the holding of Shares; or
- (b) its affiliates, the Registrar (in the case of the Company), the Company (in the case of the Registrar), the AIFM, the Investment Adviser and their respective associates, some of which may be located outside of the United Kingdom (or the EEA, to the extent that the EU GDPR applies in respect of the personal data being shared).

6.3 Any sharing of personal data by the Company or the Registrar with other parties will be carried out in accordance with the DP Legislation and as set out in the Privacy Notice.

6.4 By becoming registered as a holder of Shares a person becomes a data subject (as defined in the DP Legislation). In providing the Registrar with information, each Placee hereby represents and warrants to the Registrar that it has: (i) notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Privacy Notice and any other data protection notice which has been provided by the Company and/or the Registrar; and (ii) where consent is legally required under applicable DP Legislation, it has obtained the consent of any data subject to the Registrar and

their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 6).

- 6.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person he or she has read and understood the terms of the Privacy Notice.
- 6.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants that:
  - (a) it has brought the Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company as a result of the Placee agreeing to subscribe for Shares; and
  - (b) the Placee has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.
- 6.7 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data he/she/it processes in relation to or arising in relation to the Placing or Placing-Only Issue:
  - (a) comply with all applicable data protection legislation;
  - (b) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;
  - (c) if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
  - (d) he/she/it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

## **7. SUPPLY AND DISCLOSURE OF INFORMATION**

If Panmure Gordon, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Shares under any Placing-Only Issue, such Placee must promptly disclose it to them.

## **8 MISCELLANEOUS**

- 8.1 The rights and remedies of the Company, Panmure Gordon, the Investment Adviser, the AIFM and the Registrar under the terms and conditions set out in this Part 5 are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 8.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents will be sent at the Placee's risk. They may be returned by post to such Placee at an address notified by such Placee.
- 8.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Shares that the Placee has agreed to subscribe pursuant to the relevant Placing-Only Issue have been acquired by the Placee. The contract to subscribe for Shares under any Placing-Only Issue and the appointments and authorities mentioned in this Securities Note will be governed by, and construed in accordance with, the laws of England and Wales. For the

exclusive benefit of Panmure Gordon, the Company, the Investment Adviser and the Registrar, each Placee irrevocably submits to the exclusive jurisdiction of the courts of England and Wales waives any objection to proceedings in any such courts on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

- 8.4 In the case of a joint agreement to purchase Shares under any Placing-Only Issue, references to a **"Placee"** in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 8.5 Panmure Gordon and the Company expressly reserve the right to modify the terms of any Placing-Only Issue (including, without limitation, its timetable and settlement) at any time before allocations are determined.
- 8.6 Each Placing-Only Issue is subject to the satisfaction of the conditions relating to that Placing-Only Issue, contained in the Share Issuance Agreement and the Share Issuance Agreement not having been terminated prior to Admission of the relevant Shares.