

**Private & confidential**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you should consult immediately your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised independent financial adviser. This document should be read as a whole.

If you have sold or transferred all of your existing ordinary shares of £0.67 each ("**Ordinary Shares**") and/or all of your existing redeemable shares of £0.01 each ("**Redeemable Shares**") in the capital of Pantheon International Plc (the "**Company**") and, as a result, no longer hold any such Ordinary Shares or Redeemable Shares, please send this document and (if appropriate) the accompanying forms of proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Application will be made to the UK Listing Authority for the New Ordinary Shares arising from the proposed conversion of the Redeemable Shares (as further set out in this document) to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission of the New Ordinary Shares will become effective and dealings for normal settlement will commence at 8.00 a.m. on 1 November 2017

**This document is not a prospectus for the purposes of the prospectus rules and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase or subscribe for, any securities. This document has not been, and will not be, reviewed or approved by the FCA (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA or Chapter 13 of the Listing Rules, or by any other authority or regulatory body in any jurisdiction.**

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# Pantheon International Plc

*(Incorporated in England and Wales with registered number 02147984:  
An investment company within the meaning of section 833 of the Companies Act 2006)*

## **Proposed Share Capital Reorganisation, Issue of an Asset Linked Note and Amendment to the Articles of Association, and Notices of Extraordinary General Meeting, Class Meeting of Ordinary Shareholders and Class Meeting of Redeemable Shareholders**

Your attention is drawn to the letter from the Chairman of the Company, which is set out on pages 5 to 16 of this document, in which the Directors of the Company recommend that holders of Ordinary Shares vote in favour of the resolutions to be proposed at the Extraordinary General Meeting and the Ordinary Class Meeting and that holders of the Redeemable Share vote in favour of the resolutions to be proposed at the Redeemable Class Meeting. A summary of the action to be taken by Shareholders is set out on pages 14 and 15 of this document.

Notices are set out at the end of this document convening: (1) an extraordinary general meeting of the Company to be held at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH on 30 October 2017 at 12.00 noon; (2) a class meeting of the holders of Ordinary Shares to be held at the same address on 30 October 2017 at 12.15 p.m. (or as soon thereafter as the extraordinary general meeting of the Company convened for 12.00 noon on such date is concluded or adjourned); and (3) a class meeting of the holders of Redeemable Shares to be held at the same address on 30 October 2017 at 12.30 p.m. (or as soon thereafter as the class meeting of the holders of Ordinary Shares convened for 12.15 p.m. on such date is concluded or adjourned). Forms of Proxy for use at the EGM and at the Class Meetings are enclosed. Holders of Redeemable Shares are entitled to attend the EGM, but not to vote on any resolutions proposed thereat.

To be valid, a Form of Proxy must be completed and lodged at the offices of the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, not later than 48 hours before the time of the meeting to which it relates. If you hold your Ordinary Shares or Redeemable Shares in CREST, and you wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). Any proxy sent electronically must be sent as soon as possible and, in any event, so as to be received not later than 48 hours before the time of the meeting to which it relates. The completion and depositing of a Form of Proxy will not preclude you from attending and voting in person at the meeting to which it relates should you wish to do so.

None of the existing Ordinary Shares or Redeemable Shares, the New Ordinary Shares and the Deferred Shares have been or will be registered under the United States Securities Act of 1933 or the state securities laws of the United States and none of them may be offered or sold in the United States.

Evercore Partners International LLP ("**Evercore**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser exclusively for the Company and no one else in connection with the proposed transactions described in this document and the content of this document and accordingly will not be responsible to anyone other than the Company in providing the protections afforded to clients of Evercore nor for providing advice in relation to the proposed transactions described in this document and the content of this document. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person other than the Company in connection with this document, any statement contained herein or otherwise.

Canaccord Genuity Limited ("**Canaccord**"), which is authorised in the United Kingdom by the FCA, is acting exclusively for the Company and for no-one else in connection with the proposed transactions described in this document and the content of this document, and will not be responsible to anyone other than the Company for providing the protections offered to clients of Canaccord nor for providing advice to any other person in relation to the proposed transactions described in this document or the contents of this document.

This document contains forward-looking statements which are subject to assumptions, risk and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, there can be no assurance that these expectations will prove to have been correct. As these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by those forward-looking statements. Each forward-looking statement is correct only at the date of the particular statement. The Company does not undertake any obligation publicly to update or revise any forward-looking statement as a result of new information, future events or other information, although such forward-looking statements will be publicly updated if required by the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules, the rules of the London Stock Exchange or by law.

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## EXPECTED TIMETABLE OF EVENTS

Valuation Date	30 September 2017
Announcement of NAV as at Valuation Date	20 October 2017
Latest time and date for receipt of EGM Forms of Proxy	12.00 noon on 28 October 2017
Latest time and date for receipt of Ordinary Class Meeting Forms of Proxy	12.15 p.m. on 28 October 2017
Latest time and date for receipt of Redeemable Class Meeting Forms of Proxy	12.30 p.m. on 28 October 2017
EGM	12.00 noon on 30 October 2017
Ordinary Class Meeting	12.15 p.m. on 30 October 2017
Redeemable Class Meeting	12.30 p.m. on 30 October 2017
Redemption of Redemption Shares	31 October 2017
Issue of ALN	31 October 2017
Record date for Bonus Issue and Consolidation and Redesignation; existing Redeemable Share register closed and existing Redeemable Shares disabled in CREST	6.00 p.m. on 31 October 2017
Issue of Deferred Shares	31 October 2017
Consolidation and Redesignation as New Ordinary Shares	31 October 2017
Admission of the New Ordinary Shares to the premium segment of the Official List and to trading on the Main Market	8.00 a.m. on 1 November 2017
Dealings in New Ordinary Shares commence and enablement in CREST	8.00 a.m. on 1 November 2017
Despatch of certificates (where relevant) in respect of the New Ordinary Shares	15 November 2017

*References to time in this document are to London time.*

*All times and dates are subject to change. Any change will be notified via a Regulatory Information Service.*

*All events in the above timetable following the Redeemable Class Meeting are conditional on approval by Shareholders of all resolutions to be proposed at the EGM and each Class Meeting.*

## LETTER FROM THE CHAIRMAN

# PANTHEON INTERNATIONAL PLC

*(Incorporated in England and Wales with registered number 02147984:  
An investment company within the meaning of section 833 of the Companies Act 2006)*

### *Directors*

Sir Laurie Magnus (*Chairman*)  
Ian Barby  
John Downing Burgess  
David Melvin  
Susannah Nicklin  
John Singer  
Rhoderick Swire

*Registered Office*  
51 New North Road  
Exeter  
EX4 4EP

6 October 2017

Dear Shareholder,

### **Proposed Share Capital Reorganisation, issue of an Asset Linked Note (“ALN”) and amendment to the Articles of Association and related Extraordinary General Meeting, Class Meeting of Ordinary Shareholders and Class Meeting of Redeemable Shareholders**

### **INTRODUCTION**

As announced on 28 September 2017, the Company is putting forward proposals (the “**Proposals**”) to its Shareholders to consolidate its ordinary and redeemable share capital into a single class of Ordinary Shares on a one for one basis, which the Board of the Company expects to lead to increased secondary market liquidity in the Company’s shares and improve the Company’s flexibility to buy back its shares.

The Proposals also include the issue of an unlisted Asset Linked Note (“**ALN**”), due 2027, to an institutional investor (the “**Investor**”), which is currently the largest holder of the Company’s Redeemable Shares, in exchange for part of its shareholding, which is expected to improve the investment prospects of the Company by reducing the Company’s exposure to its lower performing tail-end funds.

In order for the Proposals to be implemented, the Company is convening each of: (a) an extraordinary general meeting of the Company, at which a number of special resolutions will be proposed, (b) a class meeting of the holders of Redeemable Shares at which an extraordinary resolution will be proposed, and (c) a class meeting of the holders of Ordinary Shares at which an extraordinary resolution will be proposed. In the event that any of the resolutions are not passed, none of the Proposals will be implemented.

The purpose of this letter is to explain fully why the Proposals are being put forward, to set out in detail what they involve and to seek Shareholders’ approval of the resolutions required in order for the Proposals to be implemented.

## SUMMARY OF THE PROPOSALS

The key features of the Proposals are as follows:

- Conditional on the passing of all Resolutions at the EGM and Class Meetings to be held on 30 October 2017, all Redeemable Shares in issue at the close of business on the Record Date will be converted to Ordinary Shares on a one for one basis, following which there will be only a single class of Ordinary Shares in issue.
- Prior to the conversion, the Investor will surrender such proportion of its holding of Redeemable Shares as has an underlying NAV of £200 million (based on the NAV per share as at the Valuation Date (expected to be 30 September 2017)) in exchange for the Asset Linked Note, which will have an initial principal amount of £200 million. Payments under the ALN will be linked to the net cash flow from the Reference Portfolio (which will comprise interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages) from 1 January 2017 and the performance and net cash flows of the Reference Portfolio from the Valuation Date such that the total amount repaid to the Investor under the ALN may be more or less than the initial principal amount of £200 million.
- The balance of the Investor's Redeemable Shares will be converted into Ordinary Shares on the same basis as the other holders of Redeemable Shares. The Investor will consequently continue to have a meaningful stake in the Company, and is expected to be among the ten largest Ordinary Shareholders in the Company following implementation of the Proposals.
- The Proposals will require the approval of the Shareholders in a general meeting by way of a special resolution and the separate approvals of both the holders of the Redeemable Shares and the holders of the Ordinary Shares by way of extraordinary resolutions at separate class meetings. The Investor (which does not hold any Ordinary Shares, and has agreed not to acquire any Ordinary Shares prior to the Meetings) will attend and count in the quorum for, but has agreed to abstain from voting at, the class meeting of the holders of Redeemable Shares.

The Proposals are described in further detail below and in the appendices to this document.

## BACKGROUND TO AND REASONS FOR THE PROPOSALS

The Company currently has two classes of shares in issue:

- Ordinary shares of 67p each, which have a premium listing on the Main Market; and
- Redeemable shares of 1p each, which have a standard listing on the Main Market.

The Redeemable Shares are non-voting and are redeemable at the election of the Company (although there has been no redemption of Redeemable Shares since 2006), with any such redemption, if made, to be in cash at the then applicable NAV per share. Otherwise the Redeemable Shares rank *pari passu* with the Ordinary Shares in terms of economic rights.

Having two classes of shares has resulted in reduced secondary market liquidity in the Company's share capital, which the Board believes has contributed to the shares trading at a widened discount to the NAV per share. This has particularly been the case for the Redeemable Shares, which have consistently traded at a discount to the Ordinary Shares over recent years. By way of example, at close of business on 31 August 2017, the Ordinary Shares were trading at a discount of approximately 22 per cent., and the Redeemable Shares were trading at a discount of approximately 27 per cent., to the then prevailing NAV per share, which the Board considers to be illustrative of the trend over recent years. As a result, the Board has for some time been considering ways of consolidating the two share classes into a single class of ordinary share. By simplifying the Company's capital structure and increasing the capitalisation of the Ordinary Shares, the Board believes that a consolidation will improve secondary market liquidity in the Company's shares and better reflect the scale of the Company's operations, increasing the likelihood of the Company's inclusion in the FTSE 250 Index and improving its market profile. The Board would also have greater flexibility to conduct share buybacks for the benefit of Shareholders as a whole, without having to have regard to the current shareholder concentration, particularly in the case of the Redeemable Shares. It is the Board's view that the combination of all these factors should make the Company more attractive to investors.

The Board has been aware for some time that its views regarding the benefits of a consolidation of the Company's share capital into a single class are shared by a broad cross-section of its Shareholders, who have regularly raised the idea of a consolidation with the Company and its advisers. However the Investor, which is a long-term shareholder in the Company, has consistently indicated that it is not in a position to support a simple consolidation of the share capital. Following extensive discussions with the Investor and its advisers, the Board and its advisers have formulated proposals to effect a consolidation which have the support of the Investor and which would, if approved by Shareholders, result in the conversion of a material proportion of the Investor's Redeemable Shares into Ordinary Shares along with the exchange of the majority of its holding of Redeemable Shares at NAV for the ALN, an instrument offering liquidity over the medium term but linked to the performance of the Reference Portfolio, comprising substantially of a number of older vintage funds in the Company's portfolio.

The Investor has confirmed that it is supportive of the Proposals, including the consolidation of the Company's share capital into a single class of Ordinary Shares, as further set out in this document. The Board believes that the Proposals will also enable the Company to achieve the portfolio management benefits described below.

In seeking to optimise PIP's investment performance, the Manager takes an active approach to portfolio management and has undertaken a number of transactions in the secondary market on PIP's behalf, both as buyer and seller. Part of the rationale for this activity is to rejuvenate the portfolio mix, based on the long-established tendency for older funds (the "**tail portfolio**") to generate lower investment returns than more recent vintages. For example, in the last five financial years (to 31 May 2017), the aggregate percentage NAV growth of the younger funds in PIP's portfolio outperformed the aggregate percentage NAV growth of those funds aged 10 years and older by at least 2.9 per cent. in each year. PIP has an extensive tail portfolio, comprising over 300 funds from 2006 and earlier where the investment periods are largely expired. Any disposal of a tail portfolio of this size and breadth in the secondary market would not be straightforward and could be expected to have a negative initial impact on the Company's NAV per share, as the discounts for tail portfolios are typically wider than for younger funds.

The issue of the ALN is equivalent to an effective reduction in the weighted average fund age of PIP's pro forma portfolio as at 31 May 2017 from 6.7 years to approximately 5.8 years and will de-emphasise the tail portfolio without a material negative initial impact on the Company's NAV per share. While PIP will remain the legal and beneficial owner of the underlying fund assets to which the ALN is linked, and the Investor would not acquire an interest in those assets, an amount equal to approximately 75 per cent. of the net cash flow received by PIP from the Reference Portfolio (less an adjustment for the Reference Portfolio's pro rata share of PIP's ongoing costs) will be paid out to the Investor through the payment structure of the ALN. As a consequence, to the extent that the Reference Portfolio generates lower future returns than the rest of PIP's portfolio, as has been the historic trend, the post-consolidation NAV per share performance of the Ordinary Shares should, in all likely circumstances, be enhanced. While the Reference Portfolio is expected to generate higher near-term net cash distributions than PIP's portfolio as a whole (as draw-downs are typically at very low levels for funds of this age), the Company's pro forma cash flow profile, net of payments under the ALN, will still be strong and is expected to be sufficient to fund new investments including share buyback opportunities as they arise.

As a result, the Board believes that the Proposals will deliver significant advantages to the Company and its Shareholders. The future performance of the Company will be aligned more closely to younger fund vintages, and Shareholders will benefit from both the increased secondary market liquidity that flows from having a single class of issued share capital, and the Company's greater flexibility to implement share buybacks. The Board believes that this view is supported by the fact that, as at close of business on 4 October 2017 (being the latest practicable date prior to the posting of this Circular and using closing mid prices), the discounts to the 31 August NAV per share on both the Ordinary Shares and the Redeemable Shares have narrowed following the announcement of the Proposals, standing at approximately 18 per cent. and 19 per cent. respectively.

## ISSUES TO BE CONSIDERED

As a result of the Proposals, Redeemable Shareholders will be converting non-voting Redeemable Shares into the same numbers of voting Ordinary Shares. As a result:

- Ordinary Shareholders should be aware that the proportion of voting rights represented by their existing holdings of Ordinary Shares will be diluted;



- Redeemable Shareholders should be aware that the Ordinary Shares are not redeemable, and accordingly it will not be possible for such shares to be redeemed by the Company (although, as noted above, there has been no redemption of Redeemable Shares since 2006); and
- Both Ordinary Shareholders and Redeemable Shareholders should note that, as a result of the changes to the voting share capital of the Company arising from the creation of the New Ordinary Shares, they may be obliged to make a notification to the Company of a change in the percentage of the voting rights held by such Shareholders, in accordance with the Disclosure Guidelines and Transparency Rules.

In considering the Proposals, the Board has been mindful of its duties towards all of PIP's Shareholders. The Board does not believe that it would have been possible to offer an opportunity to subscribe for the ALN to other Shareholders whilst still achieving the broader objectives of the Proposals. In addition, the Board believes that the ALN's focus on the Company's older underlying holdings, its lack of a listing, very restricted transferability and certain legal, regulatory and practical limitations on the wider issue of an instrument of its type would make it unsuitable for and/or unattractive to most Shareholders and impractical to implement as a wider issue.

PIP's total transaction costs are expected to amount to approximately £2 million, which will have the effect of reducing NAV by approximately 4p per share. These costs relate to the implementation of the Proposals in their entirety and therefore include costs associated with the Redemption and the issue of the ALN, the consolidation of the share capital of the Company into one class, the EGM and Class Meetings and the changes required to the Articles. The Investor will bear its pro rata share of PIP's costs and 100 per cent. of its own legal and advisory fees.

The issue of the ALN will reduce the cash flow available to the Company by the amounts paid to the Investor under the terms of the ALN. However, PIP's post-2006 fund vintages have been strongly cash-generative and payments under the ALN are linked to the share of actual net cash flow from the Reference Portfolio. In addition, PIP is entitled to defer any payments due under the ALN for three months, subject to interest charges (as described in Appendix 1).

There may be a tax charge for PIP in the event of a reduction in value of the ALN (assessable on an annual basis), and any volatility in the value of the Reference Portfolio may increase the risk of an incremental tax charge. Shareholders should note that the tax risk diminishes with repayments of the ALN and, while there may be some impact, simulations run by the Manager indicate that tax is unlikely to be significant. For example, even in simulations involving periods of very considerable volatility, the tax impact would be expected to be less than 1 per cent. of current NAV over the term of the ALN. Any such tax charges would not be passed on to the Investor in its capacity as holder of the ALN, and instead the cost would effectively be borne pro rata by Shareholders (including the Investor in relation to its ongoing shareholding in the Company post-consolidation).

As described further below and in Appendix 1, in the event that the total amount repaid under the ALN is less than £200 million, the Investor will, in certain circumstances, be entitled to a rebate. Save in certain specified circumstances (such as a default under the ALN or the Company being placed in run off), the maximum amount payable under the rebate is £30 million (equivalent to 15 per cent. of the initial principal amount of the ALN).

The ALN is a debt obligation repayable by no later than 31 August 2027, and is subordinated to the Company's existing revolving loan agreement (and any refinancing). Because, until that time, the amount repayable under the ALN is linked to the net cash flow from the Reference Portfolio, the Board does not believe it adds materially to the Company's financial risk through gearing. The Company has undertaken to the Investor that, until the end of 2019, it will not put in place senior credit facilities in excess of £225 million and that, thereafter, debt will not be arranged by the Company if it would have the effect of total potential indebtedness exceeding 35 per cent. of the gross asset value of the Company as shown in the Company's most recent published accounts at the time the debt was arranged.

The Company will continue to be the legal and beneficial owner of all fund interests included in the Reference Portfolio and remains subject to the full rights and obligations under all agreements governing interests included therein. As such, a breach of any such agreement would remain the full responsibility of the Company as these rights and obligations have not been transferred.



The management fees payable by the Company will continue to be assessed on the gross value of the Company's portfolio and undrawn commitments, and the performance fee payable by the Company to the Manager will continue to be calculated by reference to the NAV, including in each case the interests included in the Reference Portfolio. However, payments under the ALN will be adjusted for a pro rata share of the Company's annual management and related costs.

## **REDEMPTION AND ISSUE OF ALN**

The Company and the Investor entered into the Note Agreement on 5 October 2017. Under the terms of the Note Agreement, it has been agreed that:

- the Company will, subject to the conditions set out in the Note Agreement, redeem such number of the Investor's Redeemable Shares as have an aggregate underlying net asset value (based on the NAV per share as at the Valuation Date (expected to be 30 September 2017)) of £200 million; and
- the Investor will use the whole of the proceeds of such redemption to subscribe for, and the Company will agree to issue to the Investor, the ALN. The ALN will have an initial principal value of £200 million. Payments under the ALN will be linked to the net cash flow from the Reference Portfolio (which will comprise interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages) from 1 January 2017 and the performance of the Reference Portfolio from the Valuation Date.

The Investor will therefore effectively exchange Redeemable Shares with an underlying NAV of £200 million on a NAV-for-NAV basis for the ALN which, at the date of issue, will have an initial principal value of the same amount. As a result, there should be no initial impact on the Company's NAV per share (other than the Company's pro rata share of the costs of the Proposals). The ALN will be unlisted and subordinated to the Company's existing revolving loan agreement (and any refinancing). The ALN will not be transferable, save that the whole of the ALN (and not part only) may be transferred to an affiliate of the Investor.

PIP is required to make quarterly payments under the ALN by reference to net cash flow from the Reference Portfolio from 1 January 2017. The first quarterly payment under the ALN, which will be made on the first quarter date (expected to be 30 November 2017) following the issue of the ALN, will be based on the net cash flow from the Reference Portfolio for the nine months ended 30 September 2017 and is expected to be £58,647,025 less any adjustment for management fees and related costs and any transaction costs to be borne by the Investor. Quarterly payments thereafter will be based on three months' cash flow and are expected to decline steadily in line with the shrinkage of the Reference Portfolio as it is progressively realised. However, the timing and size of distributions are unpredictable and the size of individual quarterly payments will vary depending on the actual level of realisations in the preceding quarter.

The Company must redeem the ALN on 31 August 2027 (if not previously redeemed or purchased or cancelled) at its remaining principal amount (which, on maturity, is expected to be less than 10 per cent. of the initial principal amount of the ALN) plus, in certain circumstances, a rebate amount. The Noteholder can require early repayment in the event of a change of control of PIP, or PIP going into run-off or the amounts repaid in respect of the ALN being more than 95 per cent. of the initial principal amount. Additionally, the repayment of the principal amount and the rebate is accelerated in the event of a default under the terms of the ALN.

The principal amount of the ALN outstanding from time to time is, in summary, an amount equal to a percentage of the value of the Reference Portfolio attributable to the ALN. The percentage is calculated to be the initial principal amount of the ALN (£200 million) less the net cash flow from the Reference Portfolio for the nine months ended 30 September 2017 which are comprised in the first quarterly payment expressed as a percentage of the value of the Reference Portfolio on the Valuation Date. The principal amount also includes an amount equal to that percentage of net cash flow relating to the Reference Portfolio which has not at that time been paid out to the Noteholder by way of the quarterly payments described above. The Reference Portfolio is valued in sterling using the accounting policies detailed in the Company's audited financial statements.

The total amount repaid to the Investor under the ALN may be more or less than the initial principal amount of £200 million. Following repayment in full of the ALN, PIP will not be obliged to make further payments to the Investor under the ALN by reference to any residual value subsequently received by PIP from the

Reference Portfolio. In the event that the total distributions made by the Company to the Investor under the terms of the ALN amount to less than £200 million, the difference (reduced, in the event that PIP's NAV per share decreases over the life of the ALN, by an equal percentage decrease) will be paid over by the Company to the Investor in the form of a rebate. The rebate is subject to an absolute cap of £30 million, except in the case of PIP being placed in run-off, or repayment of the ALN repayment being accelerated through an event of default under the ALN. The rebate will not be paid if PIP's NAV per share underperforms the ALN over the life of the ALN.

Further details of the terms of the Note Agreement and the ALN are set out in Appendix 1 to this document.

## **CONSOLIDATION OF SHARES INTO A SINGLE CLASS**

Subject to the Resolutions being approved and the Redemption being implemented, the Company proposes to effect a reorganisation of the Company's share capital so as to result in all of the Redeemable Shares (other than the Redemption Shares, which will have been previously redeemed by the Company) being converted into Ordinary Shares on a one-for-one basis.

The share capital reorganisation will take place as soon as practicable after the Redemption has been implemented, and will consist of two stages.

- a bonus issue of new unlisted deferred shares of 66p each to holders of Redeemable Shares on the Record Date on a one-for-one basis (the sole purpose of which is to equalise the nominal values of the Company's two existing classes of shares, so as to enable the Redeemable Shares to be converted into Ordinary Shares by means of the Consolidation and Redesignation process described below); and
- immediately following the Bonus Issue, the consolidation and sub-division of the Deferred Shares and the Redeemable Shares into shares of 67p, which will be designated as Ordinary Shares ranking *pari passu* with the existing Ordinary Shares.

As a result, following the Consolidation and Redesignation, each Redeemable Shareholder will hold one New Ordinary Share for each Redeemable Share held by such Redeemable Shareholder on the Record Date.

Application will be made for the New Ordinary Shares to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the Main Market with effect from the business day following the Consolidation and Redesignation. It is expected that Admission will occur, and that dealings in New Ordinary Shares will commence, at 8.00 a.m. on 1 November 2017.

The above process would effectively vary the rights attaching to the Redeemable Shares so that they mirror the rights attaching to existing Ordinary Shares (by conferring the right to vote, removing the class right to sanction certain corporate actions and removing the redemption right). As a consequence of acquiring voting rights attaching to the New Ordinary Shares, holders of Redeemable Shares should note that they will become subject to the obligation to notify their holdings to the Company under the Disclosure Guidance and Transparency Rules.

Further details of the Bonus Issue and the Consolidation and Redesignation are set out in Appendix 2 to this document.

## **AMENDMENTS TO THE ARTICLES**

It is proposed that the Articles be amended twice. The first set of amendments to the Articles are intended to facilitate the actions contemplated by the Proposals (including, in particular, the Bonus Issue and the Consolidation and Redesignation). The amendments, if approved, will take effect immediately following the conclusion of the last of the Meetings. The Articles will then be further amended, conditional on the implementation of the Proposals, in order to reflect the fact that, following implementation of the Proposals, the Company will have only a single class of Ordinary Shares in issue, and to make certain technical changes to the provisions relating to the cut-off time for the receipt of shareholder proxies.

Further details of the amendments to be made to the Articles are set out in Appendix 3 to this document.

The proposed amendments are set out in the notice convening the EGM which can be found towards the end of this document.

## **TAXATION**

A summary of certain principal taxation considerations relating to the Proposals for certain categories of UK resident Shareholders is set out in Appendix 4 to this document.

## **US REDEEMABLE SHAREHOLDERS**

PIP is a foreign investment company for the purposes of the U.S. Investment Company Act of 1940, and, as such, certain restrictions under that Act on investment by registered funds in private investment funds do not apply to PIP. It is important for the Company to maintain this status following the implementation of the Proposals, not least because a change in PIP's status may trigger potentially adverse consequences in relation to PIP's underlying fund investments. To maintain PIP's current status, it will be necessary to ensure that no element of the Proposals constitutes an offer and sale of new securities in the United States.

PIP has been advised that the Bonus Issue and/or the Consolidation and Redesignation may be deemed to constitute an offer and sale of securities to Redeemable Shareholders for US securities laws purposes, and accordingly the solicitation of approval of the Bonus Issue and/or the Consolidation and Redesignation from Redeemable Shareholders in the United States may be deemed to be extending such offer and sale of securities into the United States. As a result, based on legal advice received, PIP proposes to use the disenfranchisement provisions contained in Article 40A of the Articles in relation to the Redeemable Class Meeting. In brief, Redeemable Shareholders with a US address on the register, or who the Company is reasonably satisfied are US Persons or hold their Redeemable Shares for US Persons, will not be permitted to attend or vote at the Redeemable Class Meeting. Such Redeemable Shareholders are being sent a copy of this document for information purposes only. Such Shareholders are not being, and will not be, sent the Form of Proxy relating to the Redeemable Class Meeting. Such Shareholders will not be entitled to exercise the voting rights attaching to their Redeemable Shares or attend the Redeemable Class Meeting. All other Redeemable Shareholders will be required to declare, when executing a Form of Proxy (or CREST Proxy Instruction) in relation to the Redeemable Class Meeting, or attending the Redeemable Class Meeting in person (or by a representative), that they are not US Persons and are not acting on behalf of a US Person. In the Form of Proxy, this declaration will be given by virtue of the Form of Proxy being executed unless the Redeemable Shareholder completing the Form of Proxy opts out of the declaration by checking a box on the Form of Proxy. Redeemable Shareholders who opt out of the declaration on the Form of Proxy, or who seek to attend the Redeemable Class Meeting (in person or by a representative) but who do not give the required declaration, will not be entitled to attend or vote at the Redeemable Class Meeting. Any Redeemable Shareholder issuing a CREST Proxy Instruction in order to appoint a proxy to attend and vote at the Redeemable Class Meeting on behalf of such Redeemable Shareholder will be deemed, by so doing, to have declared and represented that such shareholder is not a US Person and that the Redeemable Shares to which the CREST Proxy Instruction relates are not held for or on behalf of a US Person.

A Notice to Redeemable Shareholders, together with the form of declaration required to be made by Redeemable Shareholders seeking to attend the Redeemable Class Meeting, is set out in Appendix 5 to this document.

## **DEALINGS AND SHARE CERTIFICATES**

Application will be made to the UK Listing Authority for all the New Ordinary Shares to be admitted to the Official List and application will be made to the London Stock Exchange for those shares to be admitted to trading on the Main Market. Assuming all the Resolutions are passed and that none of the Meetings are adjourned, it is expected that Admission in respect of the New Ordinary Shares will become effective, and that separate dealings in the New Ordinary Shares will commence, on 1 November 2017.

Accordingly, the ISIN for the Redeemable Shares (GB00B020KN05) is expected to be disabled in CREST at 6.00 p.m. on 31 October 2017, with trading in the New Ordinary Shares (ISIN GB0004148507) expected to commence at 8.00 a.m. on 1 November 2017.

The New Ordinary Shares will be in registered form and may be delivered in certificated or uncertificated form (i.e. in CREST). Those Redeemable Shareholders who hold their Redeemable Shares in certificated form will receive their New Ordinary Shares in certificated form. Temporary documents of title will not be issued pending the delivery of share certificates, which (assuming that none of the Meetings is adjourned) are expected to be dispatched in the week commencing 13 November 2017. Pending receipt of definitive certificates, transfers of New Ordinary Shares delivered in certificated form will be certified against the register of members of the Company held by the Registrars. Existing certificates in respect of the Redeemable Shares will cease to be of value for any purpose after the Record Date. However, holders of certificates in respect of Redeemable Shares should retain them, for record purposes only, until their New Ordinary Share certificates are received. Following receipt of the new certificates, certificates in respect of Redeemable Shares can be destroyed.

Redeemable Shareholders who hold their Redeemable Shares in uncertificated form (i.e. in CREST) will receive their New Ordinary Shares in uncertificated form, although the Company reserves the right to issue such New Ordinary Shares in certificated form. In normal circumstances, this is only likely to occur in the event of an interruption, failure or breakdown of CREST or the facilities or system operated by the Registrars in connection with CREST. New Ordinary Shares to be issued in uncertificated form are (assuming that none of the Meetings are adjourned) expected to be credited to the appropriate stock accounts in CREST on 1 November 2017. Dealings in New Ordinary Shares in advance of the crediting of the relevant stock accounts will be at the risk of the persons concerned.

All share certificates dispatched to Shareholders or their appointed agents will be dispatched at the risk of Shareholders. Share certificates will be sent to the registered address of the relevant shareholder, or, in the case of joint holders, to the holder whose name appears first in the register of members. If you do not receive a new share certificate (allowing for the time of postage from the date of dispatch) and you believe you are entitled to one, please contact the Company's registrars, Capita Asset Services, whose details can be found on page 31 of this document.

No share certificates will be issued in relation to the Deferred Shares, as they will only be in existence for a very short period of time.

## **ADDITIONAL INFORMATION**

The attention of Shareholders is drawn to the additional information contained in Appendix 6 to this document.

Certain terms used in this document have been given defined meanings. The meanings of such terms are set out in Appendix 7 to this document.

## **EGM AND CLASS MEETINGS**

There are three Shareholder meetings required to give effect to the Proposals, with the Resolutions to be proposed at these meetings being inter-conditional. The meetings, which will take place on 30 October 2017, are as follows:

### ***EGM***

You will find set out at the end of this document a notice convening an extraordinary general meeting of the Company to be held at 12.00 noon on 30 October 2017 at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH for the purpose of considering resolutions (each to be proposed as a special resolution) to approve the following:

- certain amendments to the Articles so as to enable the Company to create and issue the Deferred Shares and otherwise implement the Proposals;
- authorising the Company to implement the Redemption without redeeming or making an offer to redeem any other Redeemable Shares.
- authorising the Company to issue the ALN;
- the allotment and issue of the Deferred Shares by way of the Bonus Issue;

- the Consolidation and Redesignation; and
- certain further amendments to the Articles, to take effect following the implementation of the Consolidation and Redesignation, so as to:
  - remove from the Articles all references to the Redeemable Shares and the Deferred Shares and the rights and other provisions relating to those shares (given that they will not exist after the Consolidation and Redesignation has been implemented);
  - insert certain provisions (based on the provisions of the current Article 4) relating to the calculation and publication by the Company of the NAV per share; and
  - make certain technical changes to the provisions of the Articles relating to the cut-off time for the delivery of instruments of proxy for future shareholder meetings.

The maximum numbers of Deferred Shares which the Directors (if such resolutions are passed) have authority to allot would be 30,297,534 Deferred Shares (with an aggregate nominal value of £19,996,372.44).

Each of the EGM Resolutions is conditional on the other EGM Resolution being passed. These Resolutions, if passed at the EGM, are also subject to the sanction of the holders of Ordinary Shares being given at the Ordinary Class Meeting and to the sanction of the holders of Redeemable Shares being given at the Redeemable Class Meeting.

Both Ordinary Shareholders and Redeemable Shareholders are entitled to attend the EGM, but only Ordinary Shareholders are entitled to vote at the EGM. The quorum requirement for the EGM is two persons entitled to vote on the special resolutions to be proposed at the EGM, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member.

For a special resolution to be passed at the EGM, it must be approved by members representing at least 75 per cent. of the total votes cast at the meeting on such resolution (either in person or by proxy).

### ***Class Meeting for Ordinary Shareholders***

You will also find set out at the end of this document a notice convening a class meeting of the holders of Ordinary Shares to be held at 12.15 p.m. on 30 October 2017 (or as soon thereafter as the EGM is concluded or adjourned) at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH for the purpose of considering a resolution (to be proposed as an extraordinary resolution) to sanction the passing and implementation of the Resolutions to be proposed at the EGM, the implementation of the Proposals and the making of the Bonus Issue to Redeemable Shareholders only (rather than to both classes of Shareholders).

Only Ordinary Shareholders are entitled to attend and vote at the Ordinary Class Meeting. The quorum requirement for the Ordinary Class Meeting is two persons, together holding or representing by proxy at least one third in nominal value of the issued Ordinary Shares (or, at any adjourned Ordinary Class Meeting, one person holding Ordinary Shares or his proxy).

In order for the extraordinary resolution to be passed at the Ordinary Class Meeting, it must be approved by Ordinary Shareholders representing at least 75 per cent. of the total votes cast at the meeting on such resolution (either in person or by proxy).

### ***Class Meeting for Redeemable Shareholders***

You will also find set out at the end of this document a notice convening a class meeting of the holders of Redeemable Shares to be held at 12.30 p.m. on 30 October 2017 (or as soon thereafter as the Ordinary Class Meeting is concluded or adjourned) at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH for the purpose of considering a resolution (to be proposed as an extraordinary resolution) to sanction the passing and implementation of the Resolutions to be proposed at the EGM, the implementation of the Proposals, the proposed amendments to the Articles, the Bonus Issue and the Consolidation and Redesignation.

Only Redeemable Shareholders are entitled to attend and vote at the Redeemable Class Meeting. The quorum requirement for the Redeemable Class Meeting is two persons, together holding or representing

by proxy at least one third in nominal value of the issued Redeemable Shares (or, at any adjourned Redeemable Class Meeting, one person holding Redeemable Shares or his proxy).

In order for the extraordinary resolution to be passed at the Redeemable Class Meeting, it must be approved by Redeemable Shareholders representing at least 75 per cent. of the total votes cast at the meeting on such resolution (either in person or by proxy).

The Investor has undertaken to attend (and therefore count towards the quorum), but not vote at, the Redeemable Class Meeting (thereby allowing the other Redeemable Shareholders to determine whether the class consent required from the Redeemable Shareholders will be granted).

The attention of Redeemable Shareholders wishing to attend and vote at the Redeemable Class Meeting is drawn to the section above entitled "US Redeemable Shareholders" and to Appendix 5 to this document.

**In view of the quorum requirements for the Class Meetings, Shareholders are urged, whether or not they intend to attend the relevant Class Meeting, to complete and return the relevant Form of Proxy or CREST Proxy Instruction as soon as possible and in any event by the times and dates specified below.**

### **ACTION TO BE TAKEN**

Set out below is the action which should be taken by Ordinary Shareholders and Redeemable Shareholders respectively.

#### ***Forms of Proxy for Ordinary Shareholders***

Enclosed with this document are:

- a white Form of Proxy for use by Ordinary Shareholders in connection with the EGM; and
- an orange Form of Proxy for use by Ordinary Shareholders in connection with the Ordinary Class Meeting.

Whether or not you intend to attend the EGM or the Ordinary Class Meeting, you are requested to complete and sign each of the above Forms of Proxy. The completed Forms of Proxy should be returned to the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, so as to be received as soon as possible, and in any event to arrive not later than the times specified below:

- in the case of the white Form of Proxy, 12.00 noon on 28 October 2017; or
- in the case of the orange Form of Proxy, 12.15 p.m. on 28 October 2017.

Forms of Proxy received after the times specified above will be invalid.

#### ***Forms of Proxy for Redeemable Shareholders***

Enclosed with this document are:

- a yellow Form of Proxy for use by Redeemable Shareholders in connection with the EGM; and
- a blue Form of Proxy for use by Redeemable Shareholders in connection with the Redeemable Class Meeting.

Whether or not you intend to attend the Redeemable Class Meeting, you are requested to complete and sign the blue Form of Proxy.

Holders of Redeemable Shares should note that, although they are entitled to attend the EGM (either in person or by proxy), they are not entitled to vote on any resolutions proposed at the EGM, and do not count towards the quorum. Accordingly, the yellow Form of Proxy does not contain provisions enabling a Redeemable Shareholder to instruct his or her proxy on how to vote at the EGM.



The completed Forms of Proxy should be returned to the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, so as to be received as soon as possible, and in any event to arrive not later than the times specified below:

- in the case of a yellow Form of Proxy, 12.00 noon on 28 October 2017; or
- in the case of a blue Form of Proxy, 12.30 p.m. on 28 October 2017.

Forms of Proxy received after the times specified above will be invalid.

### ***Appointment of a proxy through CREST***

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the EGM or either Class Meeting by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID RA10) by the latest time for receipt of proxy appointments specified above in relation to, as applicable, the EGM or relevant Class Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. CREST members giving a CREST Proxy Instruction to appoint a proxy in relation to the Redeemable Class Meeting will be deemed, by so doing, to have declared and represented that the Redeemable Shareholder for whom the proxy is appointed is not a US Person and that the Redeemable Shares to which the CREST Proxy Instruction relates are not held for or on behalf of a US Person.

To be valid, a CREST Proxy Instruction must be received by the Registrar no later than:

- in the case of a CREST Proxy Instruction relating to the EGM, 12.00 noon on 28 October 2017;
- in the case of a CREST Proxy Instruction relating to the Ordinary Class Meeting, 12.15 p.m. on 28 October 2017; or
- in the case of a CREST Proxy Instruction relating to the Redeemable Class Meeting, 12.30 p.m. on 28 October 2017.

### ***Continuing ability to attend Meetings***

Completion and return of a Form of Proxy or a CREST Proxy Instruction will not affect the right of:

- an Ordinary Shareholder to attend and vote at the EGM should he or she wish to do so;
- a Redeemable Shareholder to attend the EGM should he or she wish to do so;
- an Ordinary Shareholder to attend and vote at the Ordinary Class Meeting should he or she wish to do so; or
- a Redeemable Shareholder to attend and vote at the Redeemable Class Meeting should he or she wish to do so.



## RECOMMENDATION

The Board believes that the Proposals will deliver significant advantages to the Company and its Shareholders. The future performance of the Company will be aligned more closely to younger fund vintages (funds aged less than 10 years old), and Shareholders will benefit from the increased secondary market liquidity resulting from an enlarged single share class, as well as PIP's greater freedom to enhance shareholder returns over the long term through share buybacks.

Taking into account the benefits of the Proposals for Shareholders as a whole, the Board, which has been advised by Evercore, considers that the implementation of the Proposals, and accordingly the approval of the Resolutions, is in the best interests of the Company and its Shareholders as a whole. In providing advice to the Board, Evercore has taken into account the Board's commercial assessments.

Accordingly, the Board recommends:

- Ordinary Shareholders to vote in favour of the special resolutions to be proposed at the EGM and set out in the attached EGM Notice, as they intend to do in respect of their own beneficial shareholdings totalling 117,668 Ordinary Shares (representing approximately 0.36 per cent. of the Ordinary Shares in issue);
- Ordinary Shareholders to vote in favour of the extraordinary resolution to be proposed at the Ordinary Class Meeting and set out in the attached notice convening the Ordinary Class Meeting, as they intend to do in respect of their own beneficial shareholdings totalling 117,668 Ordinary Shares (representing approximately 0.36 per cent. of the Ordinary Shares in issue); and
- Redeemable Shareholders to vote in favour of the extraordinary resolution to be proposed at the Redeemable Class Meeting and set out in the attached notice convening the Redeemable Class Meeting, as they intend to do in respect of their own beneficial shareholdings totalling 5,930 Redeemable Shares (representing approximately 0.02 per cent. of the Redeemable Shares in issue).

If any of the Resolutions are not passed, the Company will not redeem the Redemption Shares or issue the ALN to the Investor, or implement the Bonus Issue or the Consolidation and Redesignation, and the Company will continue to have its existing two classes of shares.

Yours sincerely

**Sir Laurie Magnus**

*Chairman, Pantheon International Plc*

## APPENDIX 1

### FURTHER DETAILS OF THE NOTE AGREEMENT AND THE ALN

The Company and the Investor entered into the Note Agreement on 5 October 2017. Under the terms of the Note Agreement, it has been agreed that, subject to the conditions set out in the Note Agreement (which primarily relate to the delivery of certain documents and the passing of the Resolutions):

- the Company will redeem such number of the Investor's Redeemable Shares as have an aggregate underlying NAV (based on the NAV per share as at the Valuation Date) of £200 million; and
- the Investor will use the whole of the proceeds of such redemption to subscribe for, and the Company will agree to issue to the Investor, the ALN. The ALN will have an initial principal amount of £200 million. Payments under the ALN will be linked to the net cash flow from the Reference Portfolio (which will comprise interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages) from 1 January 2017 and the performance of the Reference Portfolio from the Valuation Date.

The Company must redeem the ALN on 31 August 2027 (if not previously redeemed, purchased or cancelled). The Noteholder can require early repayment of the ALN in whole in the event of:

- (a) a person (or persons in concert) directly or indirectly acquiring beneficial ownership of more than 50 per cent. of the issued share capital of PIP, or gaining the power to (i) exercise more than 50 per cent. of the voting rights capable of being exercised at a general meeting of PIP, (ii) appoint or remove a majority of the Directors, or (iii) give directions with respect to the operating and financial policies of PIP with which the Directors are obliged to comply; or
- (b) PIP being placed into run-off (or its equivalent) by a resolution of its shareholders; or
- (c) the aggregate of the quarterly payments in respect of the ALN (described below) amounting to, or being more than, 95 per cent. of the initial principal amount (and provided that PIP has not first opted to repay the ALN under the Company's early repayment option described below).

The Company can opt to make early repayment of the ALN in whole in the event that the aggregate of the quarterly payments in respect of the ALN (described below) amounts to, or becomes more than, 95 per cent. of the initial principal amount.

Additionally, the repayment of the ALN can be accelerated by the Noteholder on and at any time after an event of default which is continuing. An event of default will arise on non-payment by the Company of an amount due under the ALN (unless caused by an administrative or technical error or disruption not caused by, and beyond the control of, PIP), other non-compliance by PIP with the terms of the ALN or Note Agreement (unless, if capable of remedy, remedied within 20 business days), breach of representations given by PIP in the Note Agreement, or PIP being wound up or becoming insolvent or becoming subject to insolvency proceedings.

Upon maturity or earlier repayment in the circumstances described above, the ALN is repayable at its principal amount outstanding at the time of repayment together with, in certain circumstances, a rebate amount (as described below), save that, in the event of the Noteholder requiring early repayment in the circumstances described in (c) above, the ALN is repayable at 85 per cent. of its principal amount at the time of repayment together with, in certain circumstances, the rebate amount.

The principal amount of the ALN outstanding from time to time is, in summary, an amount equal to the ALN Percentage of the value of the Reference Portfolio plus an amount equal to the ALN Percentage of net cash flow relating to the Reference Portfolio which has not been paid out to the Noteholder by way of the quarterly payments described below. The Reference Portfolio is valued in sterling using the accounting policies detailed in the Company's audited financial statements.

The Note Agreement provides for the payment of a rebate to the Noteholder on repayment of the ALN in certain circumstances. The rebate is a mechanism for conferring downside protection on the Noteholder and is calculated on the basis and using the formula set out below. For these purposes:

**A** = the principal amount outstanding plus the aggregate of all amounts paid in respect of the ALN (other than interest on deferred payments and any adjustments made to the payment amount payable on the first payment date in respect of restructuring costs);

**B** = the initial principal amount of the ALN (being £200m);

**C** = the NAV per share on the Valuation Date (expected to be 30 September 2017), adjusted for any share buybacks, dividends and other reorganisations or adjustments of the Company's share capital (but not the Proposals) which occur after the Valuation Date;

**D** = the NAV per share on the payment date immediately preceding the calculation of the rebate; and

**R** = the Rebate but (1) not less than zero, and (2) (except where specified below) not more than 15 per cent. of the initial principal amount of the ALN (being £30m).

If A exceeds B (higher ALN net asset value), the Rebate is zero.

If: (i) B exceeds A (lower ALN net asset value); and (ii) C exceeds D (lower share net asset value), then:

(a) if the percentage that C exceeds D is more than the percentage that B exceeds A, the Rebate shall be zero; or

(b) if the percentage that B exceeds A is more than the percentage that C exceeds D, the Rebate shall be:

$$R = B * \left( \left( \frac{B - A}{B} \right) - \left( \frac{C - D}{C} \right) \right)$$

If: (i) B exceeds A (lower ALN net asset value); and (ii) D exceeds C (higher share net asset value), the Rebate shall be:

$$R = B * \left( \frac{B - A}{B} \right)$$

In summary, the rebate ensures that, if the total amount repaid on the ALN (including the quarterly payments described below but excluding the rebate) is less than £200 million (being the initial principal amount of the ALN), PIP is required to pay an amount of up to £30 million, the amount to be paid being calculated by reference to the above formula based on the movement in the NAV per share of PIP (excluding the impact of share buybacks, dividends and other reorganisations and adjustments of share capital (other than the Proposals)) over the period of the ALN relative to the total amount repaid on the ALN (including the quarterly payments described below but excluding the rebate) compared to the initial principal amount of the ALN. No rebate is payable where the fall in the NAV per share of PIP (excluding the impact of share buybacks, dividends and other reorganisations and adjustments of share capital (other than the Proposals)) over the period of the ALN in percentage terms is greater than the difference in percentage terms between the total amount repaid on the ALN (including the quarterly payments described below but excluding the rebate) and the initial principal amount of the ALN. In the case of repayment on an event of default or PIP being put into run-off, the rebate amount is uncapped and may therefore be up to £200m (although, shortly following issue of the ALN, this maximum amount will be reduced by the first payment to be made under the ALN, as described below, and subsequently by quarterly payments).

In addition to the obligation to repay the principal amount and, in certain circumstances, the rebate amount on maturity or earlier repayment as described above, PIP is required to make quarterly payments equal to the ALN Percentage of the net cash flow (calculated in sterling) generated by the Reference Portfolio in the immediately preceding quarter less the Expense Charge. Net cash flow comprises (i) receipts from the Reference Portfolio in the relevant period (e.g. distributions received from the funds to which the assets in the Reference Portfolio relate or the proceeds of sale by PIP of any of those assets) less (ii) amounts paid

out by PIP in respect of the Reference Portfolio in the relevant period (e.g. amounts paid by way of drawdown of commitments made to the funds to which the assets relate or expenses relating specifically to such assets). These quarterly payments will be made by the Company to coincide with the Company's year end and audit cycle. The first quarterly payment under the ALN, which will be made on the first quarter date following the issue of the ALN (expected to be 30 November 2017), will be based on the net cash flow from the Reference Portfolio for the nine months to 30 September 2017 and is expected to be £58,647,025 less the Expense Charge and share of the transaction costs.

The Company will have the right to defer a quarterly payment, in order to manage cash flow required for future drawdowns, for three months at a cost of LIBOR plus 3 per cent. per annum.

In the event of the sale by PIP during the term of the ALN of an asset contained in the Reference Portfolio (otherwise than for the purpose of complying with any change in law or regulation or as a result of any action taken by any regulator or creditor or shareholder), for the purpose of calculating the net cash flow generated by the Reference Portfolio, the ALN Percentage of any discount which the sale proceeds represent to the higher of (i) the most recent valuation of the asset at the time of the sale calculated using the accounting policies set out in the then most recent audited financial statements of the Company and (ii) the valuation of the asset as at the Valuation Date using the accounting policies set out in the recent audited financial statements of the Company for the period ended on 31 May 2017 less the net cash flow in respect of such asset since 1 January 2017, will be included in the calculation of net cash flow.

A pro rata proportion (being £200 million divided by the NAV of the Company as at the Valuation Date) of any costs of implementing the Proposals which are not accrued in the NAV as at the Valuation Date will be borne by the Noteholder and deducted from the first payment under the ALN.

No proprietary interest in the Reference Portfolio (or any part thereof) or distributions from, or sale proceeds of, the Reference Portfolio will be conferred on the holder of the ALN, and the whole of the legal and beneficial interest in the Reference Portfolio (and such distributions and sale proceeds), and control over the Reference Portfolio, will be retained by PIP. The Manager will continue to manage all the assets within the Reference Portfolio for the Company.

Receipts from the Reference Portfolio (e.g. distributions from the relevant funds, or sale proceeds of the assets in the Reference Portfolio) will reduce the value of the Reference Portfolio. Accordingly, the principal amount of the ALN is expected to reduce over time as quarterly payments are made. The total amount repayable is, however, uncertain. It may be more or less than the initial principal amount of £200 million, depending on the net cash flow from, and performance of, the Reference Portfolio. Similarly, over time, payments under the ALN are expected to decline steadily in line with the shrinkage of the Reference Portfolio as it is progressively realised. However, the timing and size of distributions are unpredictable and the size of individual quarterly payments will vary depending on the actual level of realisations in the preceding quarter.

Following repayment in full of the ALN upon maturity or earlier repayment in the circumstances described above, the Company will not be obliged to make further payments to the investor under the ALN by reference to any residual value subsequently received by the Company from the Reference Portfolio.

The ALN will be unlisted and subordinated to the Company's existing revolving loan (and any refinancing). Under the terms of the Note Agreement, the Company has agreed not to create or permit to subsist any security over any of the assets in the Reference Portfolio, except for any security subsisting under the terms of the documents upon and subject to which the Company holds such assets. The Company has also undertaken to the Investor that, prior to the end of 2019, the Company will not put in place senior credit facilities in excess of £225 million and that, thereafter, debt will not be arranged by the Company if it would have the effect of total potential indebtedness exceeding 35 per cent. of the gross asset value of the Company as shown in the Company's most recent published accounts at the time the debt was arranged.

The ALN will not be transferable other than to an affiliate of the Investor (and then in whole only, and not in part).

The ALN and the Note Agreement are governed by English Law.

## APPENDIX 2

### FURTHER DETAILS OF THE BONUS ISSUE, CONSOLIDATION AND REDESIGNATION

It is proposed that the reorganisation of the Company's share capital will take place after the implementation of the Redemption, and at a time after 6.00 p.m. on the Record Date (proposed to be 31 October 2017).

In order for the Redeemable Shares to be redesignated as Ordinary Shares, the nominal values of the two share classes (currently 1p and 67p, respectively) need to be equalised. Accordingly, as a first step, PIP will create a new class of deferred shares of 66p each in the capital of PIP and issue the Deferred Shares by way of a bonus issue to holders of the Redeemable Shares on the Record Date on the basis of one Deferred Share for each Redeemable Share then held. The Deferred Shares will then be consolidated with such Redeemable Shares and sub-divided so as to create shares with the same nominal value as the Ordinary Shares. The Bonus Issue will be effected out of PIP's existing share premium account.

The Deferred Shares will have very limited rights and will exist for only a very short period of time. They will:

- carry no voting rights;
- carry the right to receive a fixed dividend of 0.001 per cent. of the nominal amount of such shares payable on the date falling six months after the date of issue of such shares, but otherwise will not carry a right to any dividend;
- carry the right to receive the nominal amount of 66p on a winding up on a deeply deferred basis (after the sum of £1,000,000 has been distributed in respect of each other share in PIP);
- not be transferable save at the direction of the Company or with the consent of the Directors;
- not entitle the holder to a share certificate in relation to any holding of such shares; and
- be capable of being redeemed or repurchased by the Company at any time for an aggregate amount (for all the Deferred Shares) of 1p.

Since the date on which the fixed dividend would otherwise become payable to holders of Deferred Shares will not be until after the Consolidation and Redesignation, in practice no dividend will be paid on the Deferred Shares.

The full rights attaching to the Deferred Shares are set out in the amendments proposed to be made to the Articles by means of the first Resolution set out in the notice convening the EGM (which can be found towards the end of this document).

No application will be made for the Deferred Shares to be admitted to the Official List or to trading on the Main Market. No share certificates will be issued in relation to the Deferred Shares.

Immediately following the Bonus Issue, all of the Redeemable Shares and Deferred Shares will be consolidated and sub-divided into shares with a nominal value of 67p each, with such shares being designated as Ordinary Shares with the same rights attaching to, and ranking *pari passu* with, the existing Ordinary Shares.

Application will be made for the New Ordinary Shares to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the Main Market with effect from the business day following the Consolidation and Redesignation.

## APPENDIX 3

### SUMMARY OF AMENDMENTS TO THE ARTICLES

It is proposed that the Articles be amended twice. The first set of amendments to the Articles are intended to facilitate the actions contemplated by the Proposals (including, in particular, the Bonus Issue and the Consolidation and Redesignation). The amendments, if approved, will take effect immediately following the conclusion of the last of the Meetings. The Articles will then be further amended, conditional on and following the implementation of the Proposals, in order to reflect the fact that, following implementation of the Proposals, the Company will have only a single class of Ordinary Shares in issue, and to make certain technical changes to the provisions relating to the cut-off time for the receipt of shareholder proxies.

#### ***First set of amendments***

The following is a summary of the first set of amendments:

A new sub-paragraph (6) will be added to Article 4 of the Articles. This will set out the rights attaching to the new class of Deferred Shares. In summary, the rights will be as follows:

- no voting rights;
- the right to receive a fixed dividend of 0.001 per cent. of the nominal amount of such shares payable on the date falling six months after the date of issue of such shares, but otherwise will not carry a right to any dividend;
- the right to receive the nominal amount of 66p on a winding up on a deeply deferred basis (after the sum of £1,000,000 has been distributed in respect of each other share in PIP);
- not transferable save at the direction of the Company or with the consent of the Directors;
- no right to a share certificate; and
- capable of being redeemed or repurchased by the Company at any time for an aggregate amount (for all the Deferred Shares) of 1p.

An amendment will be made to the existing sub-paragraph (3) of Article 4 (which relates to dividend rights), so as to permit a bonus issue of Deferred Shares to be made only to Redeemable Shareholders (rather than both Ordinary Shareholders and Redeemable Shareholders) if a prior class consent is obtained from the holders of Ordinary Shares.

#### ***Second set of amendments***

The following is a summary of the second set of amendments:

The existing Article 4 (as amended as set out above) will be deleted. The effect of this will be to remove all provisions in the Articles specifying the rights attaching to the Redeemable Shares and the Deferred Shares. In order to maintain the provisions of the Articles relating to the calculation and publication of the NAV by the Company (which are currently contained in Article 4), a new Article 4 shall be inserted requiring the Company to calculate and publish the NAV in substantially the manner in which it currently does so.

Certain amendments will be made to Article 72 so as to provide that, for the purposes of determining any cut-off time under the Articles for the delivery by a shareholder of the Company of an instrument appointing a proxy, no account shall be taken of any day which is not a working day.

## APPENDIX 4

### TAXATION

The following summary does not constitute tax advice and is intended as a general guide only and is a summary of certain principal UK tax considerations relating to the Proposals. This summary does not purport to address all possible tax consequences relating to the Proposals and in particular does not address the tax consequences applicable to particular categories of Shareholders, save where expressly mentioned below, some of which may be subject to special rules (such as, but not limited to, persons who are employees, dealers in securities, insurance companies and collective investment schemes). It also does not address any tax implications for the Investor (or any subsequent holder) relating to the holding of the ALN, or for the Company in relation to the issue of the ALN or during the life of the ALN. It is based on current law as it applies in England and HMRC published practice in effect as of the date of this document, which may change, possibly with retroactive effect. It applies only to Shareholders who are resident and, in the case of individuals, domiciled for tax purposes in the UK who are absolute beneficial owners of their shares and hold them as an investment. All references to taxes that follow are to UK taxes except where the context otherwise requires.

**All Shareholders are urged to consult their own tax advisers with respect to their particular tax situation, including Shareholders who are not or may not be resident in the UK for UK tax purposes, and Shareholders subject to special rules under UK tax laws.**

#### 1. PROPOSALS

##### 1.1 *Bonus issue of Deferred Shares*

The creation and bonus issue of the Deferred Shares to the holders of the Redeemable Shares who are UK residents should be treated as a tax free reorganisation of the Company's share capital for UK resident Shareholders. As a result, the Bonus Issue will not give rise to an immediate charge to capital gains tax.

The Deferred Shares should be treated as the same asset as such holder's holding of Redeemable Shares and acquired at the same time as the Redeemable Shares were acquired. The base cost of the Redeemable Shares to which the bonus issue of Deferred Shares relate will be apportioned between such Redeemable Shares and the Deferred Shares by reference to their relative market values immediately after the Bonus Issue, although the base costs should subsequently be combined following the Consolidation and Redesignation (see below).

##### 1.2 *Consolidation and Redesignation*

The Consolidation of the Redeemable Shares and the Deferred Shares into new shares with a nominal value of 67p each, and the Redesignation of the resulting shares as Ordinary Shares, should be a reorganisation of the Company's share capital for UK resident Shareholders. Accordingly, such Shareholders should not be treated as making a disposal of Deferred Shares or of Redeemable Shares. The New Ordinary Shares will be treated as the same asset as the Shareholders' Redeemable Shares and Deferred Shares and as having been acquired at the same time as the Redeemable Shares were acquired. As a result, such Shareholders will have a base cost in the New Ordinary Shares equal to the sum of the base costs in the Redeemable Shares and the Deferred Shares.

##### 1.3 *Issue of ALN and redemption of Redemption Shares*

The redemption of the Redemption Shares and the issue of ALN to the Investor should have no UK tax implications for Shareholders resident in the UK.

##### 1.4 *Stamp Duty and Stamp Duty Reserve Tax*

No stamp duty or stamp duty reserve tax should be payable as a result of the Bonus Issue or the Consolidation and Redesignation.



## **2. OWNERSHIP OF NEW ORDINARY SHARES**

### **2.1 *Taxation of dividends***

Shareholders subject to UK corporation tax may be exempt from corporation tax on some or all dividends paid by the Company depending, in each case, on whether the detailed conditions for dividend exemption are met.

Shareholders that are UK resident individuals will normally be subject to income tax on such dividends. Following recent changes in the Finance Act 2016, the non-payable tax credit which may previously have been available to investors subject to income tax to set off against their income tax liability on the income distributions will no longer be available. From April 2016, such investors should benefit from a new tax-free £5,000 allowance. UK tax resident Shareholders should note that draft legislation has been introduced in the Finance (No. 2) Bill 2017 that provides for a reduction in the amount of the dividend allowance. Provided the draft legislation is enacted in its current form, it will have the effect of reducing the allowance to £2,000 for dividends received from 6 April 2018. Dividend income exceeding such tax-free allowances will be taxed at the rate of 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

No UK withholding tax will apply to any dividends paid by the Company.

### **2.2 *Taxation of Disposals***

Holders of New Ordinary Shares who are resident in the UK for taxation purposes should be liable to UK capital gains tax or corporation tax on chargeable gains in respect of gains arising from the subsequent sale or other disposal of their New Ordinary Shares in accordance with their own particular circumstances.

For Shareholders who are UK tax resident individuals, the principal factors that will determine the extent to which such a gain arising on the disposal of the New Ordinary Shares will be subject to UK capital gains tax are the extent to which he or she realizes any other capital gains in the tax year of assessment in which the gain arises and the extent to which he or she has incurred capital losses in that or any earlier tax year of assessment. Should a gain arise on the disposal of the New Ordinary shares by Shareholders who are individuals, those individuals should be able to benefit from the annual exemption from tax on chargeable gains (£11,300 for the tax year 2017-2018 and expected to increase in line with the consumer price index for subsequent years). Chargeable gains in excess of the annual exemption are currently charged to tax at 20 per cent. for higher rate and additional rate taxpayers. For other individual taxpayers, chargeable gains are subject to tax at the rate of 10 per cent. to the extent that the amount of gains realised by such taxpayer in that tax year fall within their basic rate income tax band.

For Shareholders who are within the charge to UK corporation tax, the principal factors that will determine the extent to which such a gain arising on the disposal of the New Ordinary Shares by such Shareholder will be subject to UK corporation tax on chargeable gains are the extent to which such Shareholder is able to offset any available capital losses against such gain and the availability of an indexation allowance.

## **3. Transactions in Securities**

Under Chapter 1 of Part 13 Income Tax Act 2007 (for Shareholders within the charge to income tax) and Part 15 of the Corporation Tax Act 2010 (for Shareholders within the charge to corporation tax), HMRC can, in certain circumstances, counteract tax advantages arising in relation to certain transactions in securities. No clearance has been or will be sought by the Company in relation to the applicability of those provisions in respect of the Proposals. However, it is not expected that the Proposals will affect the taxation treatment of Shareholders in connection with the Proposals.

## APPENDIX 5

### NOTICE TO REDEEMABLE SHAREHOLDERS

Article 40A of the Articles applies, *inter alia*, when it comes to the attention of the Directors that any shares in the Company (“**Relevant Shares**”) may be owned or held directly or beneficially by any person in any manner, or that any right attaching to any such share (including a right to vote at any shareholder meeting or class meeting) may be exercised in any manner or in any circumstances, that the Directors, in their absolute discretion, consider does, would or may require the Company, amongst other consequences, to register or qualify its securities under the US Securities Act or register as an “investment company” under the US Investment Company Act, or prevent the Company from relying on any exemption or exclusion from the obligation to register as an “investment company” under such Act, or to rely upon any statutory exemption or exclusion from such registration, or to change the exemption or exclusion on which it relies. In such circumstances, the Directors have the right to serve a notice on any holder of any shares which the Directors have determined, in their absolute discretion, to be Relevant Shares electing to apply one or more sanctions in relation to such Relevant Shares. Among other things, the Directors are entitled to suspend the right of any Shareholder in relation to any Relevant Shares to receive notice of, attend or vote at any general meeting of the Company or separate meeting of the holders of any class of shares in the Company, or exercise any other rights attaching to the Relevant Shares to participate in the decision-making of the Company.

PIP has been advised that the Bonus Issue and/or the Consolidation and Redesignation may be deemed to constitute an offer and sale of securities for US securities laws purposes and that, if voting rights attaching to Redeemable Shares held by or on behalf of US Persons are exercised at the Redeemable Class Meeting, PIP may be required to register the New Ordinary Shares arising as a result of the reorganisation under the US Securities Act and/or to rely upon an exemption or exclusion from registration under the US Investment Company Act in order to avoid registration as an investment company under such Act and that either such exemptions and exclusions may not be available to PIP or, if such exemptions and exclusions are available, that reliance by PIP on such exemptions and exclusions may have potentially adverse consequences in relation to PIP’s underlying fund investments.

Accordingly, the Directors have determined that all Redeemable Shares held by or on behalf of US Persons are Relevant Shares pursuant to Article 40A of the Articles for the purposes of the voting rights exercisable at the Redeemable Class Meeting and all other rights of participation in decision making exercisable at such meeting.

This notice constitutes a Relevant Share Notice under Article 40A(2) of the Articles given to each Redeemable Shareholder who is a US Person (or who holds Redeemable Shares jointly with a US Person) or who (individually or jointly) holds Redeemable Shares for or on behalf of a US Person. Each such Redeemable Shareholder is hereby notified that the Directors have elected to apply the sanction in Article 40A(2)(a) of the Articles in relation to all Redeemable Shares held by such Redeemable Shareholder (if such Redeemable Shareholder, or any joint holder with such Redeemable Shareholder, is a US Person) or all Redeemable Shares held by such Redeemable Shareholder for a US Person (if such Redeemable Shareholder, including in the case of a joint holding each joint holder, is not a US Person but holds, individually or jointly, a Redeemable Share or Redeemable Shares for or on behalf of a US Person) as at the time of the Redeemable Class Meeting and that:

- (a) the rights of such Redeemable Shareholder to attend the Redeemable Class Meeting, or any adjournment of such meeting, and vote (by hand or on a poll) on any matter to be considered at the Redeemable Class Meeting, or any adjournment of such meeting, in respect of such Redeemable Shares in person or by representative or by proxy, and
- (b) the rights of such Redeemable Shareholder to participate directly or through any trustee or nominee in any decision relating to the matters to be considered at the Redeemable Class Meeting, or any adjournment of such meeting, in respect of such Redeemable Shares,

are, in each case, suspended with effect from immediately before the commencement of the Redeemable Class Meeting (or any adjournment thereof) until the end of the Redeemable Class Meeting (or any adjournment thereof).

Each Redeemable Shareholder who wishes to attend and vote at the Redeemable Class Meeting (whether in person or by a representative) will be required to make the following declaration in relation to the Redeemable Shares held by such Redeemable Shareholder prior to being admitted to the meeting:

*"The undersigned declares and represents that the undersigned (or, if the undersigned is a representative of a holder of redeemable shares of 1p each in the Company, that holder) is **not** a US Person and:*

*(i) does not hold any redeemable shares of 1p each in the Company ("**Redeemable Shares**") (individually or jointly with any other person) for or on behalf of a US Person; or [if not applicable, delete and complete (ii) below]*

*(ii) holds \_\_\_\_\_ Redeemable Shares (individually or jointly with one or more other persons) for or on behalf of one or more US Persons. [if not applicable, delete and complete (i) above. If applicable, insert number of redeemable shares held for or on behalf of a US Person or US Persons]*

*(Note: a holder of Redeemable Shares who is not a US Person and who holds Redeemable Shares (individually or jointly with one or more other persons) for or on behalf of one or more US Persons in addition to holding Redeemable Shares which are not held for or on behalf of any US Person is entitled to attend (in person or by proxy or by representative) the Redeemable Class Meeting and vote by hand and on a poll in respect of the Redeemable Shares which are not held for any US Person but is not entitled to vote on a poll in respect of any Redeemable Shares which are held for or on behalf of one or more US Persons.)*

*Where referred to above, "US Person" means any natural person resident or entity organised in the United States or any entity organised outside the United States by one or more natural persons resident, or entities organised, in the United States for the principal purpose of investing in securities that are not registered in the United States, unless organised and owned solely by accredited institutional investors."*

Any Redeemable Shareholder completing a blue Form of Proxy accompanying this Circular in order to appoint a proxy to attend and vote at the Redeemable Class Meeting on behalf of such Redeemable Shareholder will be deemed to have made the declaration set out therein to the effect that such Shareholder is not a US Person and that the Redeemable Shares to which the Form of Proxy relates are not held for or on behalf of a US Person, unless they have ticked the box provided in such Form of Proxy to indicate that they are unable to make the declaration.

For the purposes of the Redeemable Class Meeting, or any adjournment of any such meeting:

- (a) a Redeemable Shareholder who returns the blue Form of Proxy relating to the Redeemable Class Meeting having completed the box in such Form of Proxy to indicate that the shareholder is unable to make the declaration set out in such Form of Proxy confirming that the Shareholder is not a US Person and that the Redeemable Shares in respect of which the Form of Proxy is completed are not held for or on behalf of a US Person; and
- (b) a Redeemable Shareholder who seeks to attend the Redeemable Class Meeting, in person or by a representative, and who does not (or whose representative does not) give a declaration in the form set out above,

will, in each case, be treated (and, in the case of any such shareholder holding Redeemable Shares jointly, all joint holders will be treated) as a US Person or as a person who holds Redeemable Shares for or on behalf of a US Person whose rights and entitlement to attend and vote (by hand or on a poll) at the Redeemable Class Meeting, or any adjournment of any such meeting, and to participate in any decision relating to the matters to be considered at the Redeemable Class Meeting, or any adjournment of any such meeting, are suspended in accordance with this Relevant Share Notice under Article 40A(2) of the Articles as described above. The proxy appointed by any such Redeemable Shareholder shall not be permitted to vote at the Redeemable Class Meeting.

Any Redeemable Shareholder issuing a CREST Proxy Instruction in order to appoint a proxy to attend and vote at the Redeemable Class Meeting on behalf of such Redeemable Shareholder will be deemed, by so doing, to have declared and represented that such shareholder is not a US Person and that the Redeemable Shares to which the CREST Proxy Instruction relates are not held for or on behalf of a US Person.

A Redeemable Shareholder who is not a US Person but who holds one or more Redeemable Shares (individually or jointly with one or more other persons) for or on behalf of one or more US Persons in addition to holding (individually or jointly with one or more other persons) one or more Redeemable Shares for a person or persons who are not US Persons will, pursuant to the Relevant Share Notice under Article 40A(2) of the Articles given above, have no right or entitlement to attend and vote (by hand or on a poll) at the Redeemable Class Meeting, or any adjournment of any such meeting, in respect of any such Redeemable Shares held for or on behalf of a US Person but such shareholder will be entitled to attend and vote (by hand or on a poll) at the Redeemable Class Meeting, or any adjournment of any such meeting, in respect of any Redeemable Shares held by such shareholder (individually or jointly with one or more other persons) which are not held for any US Person. Any such Redeemable Shareholder wishing to appoint a proxy to attend and vote at the Redeemable Class Meeting on behalf of such Redeemable Shareholder in respect of any Redeemable Shares which are not held for a US Person should complete and return a blue Form of Proxy, or issue a CREST Proxy Instruction, in respect of such Redeemable Shares only.

Redeemable Shareholders should note that Forms of Proxy relating to the Redeemable Class Meeting are not being, and should not be, sent into the United States.

This notice does not apply to Ordinary Shares and accordingly Redeemable Shareholders who also hold Ordinary Shares and are US Persons or hold Ordinary Shares for or on behalf of US Persons will be entitled to attend and vote at the EGM and the Ordinary Class Meeting (in person, by proxy, or by representative) in respect of such Ordinary Shares.

## APPENDIX 6

### ADDITIONAL INFORMATION

#### **Overseas Shareholders**

It is the responsibility of Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries to inform themselves about and to observe any legal and regulatory requirements in any jurisdiction in which they are resident or to which they are subject (including, without limitation, any relevant requirements in relation to their ability to receive Deferred Shares or New Ordinary Shares), including the obtaining of any government, regulatory or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any taxes or duties in such jurisdiction.

The distribution of this document in or into certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the Proposals constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

#### **Evercore**

Sir Laurie Magnus is a Senior Adviser to Evercore. Evercore is providing advice to the Board of the Company and will be receiving a fee from the Company in relation to the Proposals.

Evercore has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they appear.

#### **Directors' dealings and holdings**

Since the announcement on 28 September 2017, certain of the directors have acquired further Ordinary Shares in the Company. Set out below are details of the number of Ordinary Shares acquired by each Director between 28 September 2017 and 4 October 2017 (being the latest practicable date prior to the publication of this document) and the number of shares in the Company held by each Director on 4 October 2017 (being the latest practicable date prior to the publication of this document):

<i>Name of Director</i>	<i>No. of Ordinary Shares acquired since announcement</i>	<i>Holding of Ordinary Shares</i>	<i>Holding of Redeemable Shares</i>
Sir Laurie Magnus	3,000	8,000	–
Ian Barby	–	24,000	–
John Downing Burgess	–	–	–
David Melvin	5,000	8,000	–
Susannah Nicklin	238	238	132
John Singer	–	–	–
Rhoderick Swire	–	77,430	5,798

#### **Costs**

The Company will incur costs and expenses relating to the Proposals which are expected to amount to approximately £2 million (including any applicable VAT). These costs and expenses will be accrued for the purposes of calculating the NAV per share as at the Valuation Date. Accordingly, as between Shareholders, the Investor will indirectly bear a proportion of these accrued costs and expenses through redemption of the Redemption Shares at the prevailing NAV per share as at the Valuation Date. The Company will recover from the Investor a proportion of any remaining costs and expenses not accrued for the purposes of calculating the NAV per share as at the Valuation Date by deduction from the first quarterly payment under the ALN. That proportion will be £200 million (being the initial principal amount of the ALN) divided by the NAV as at the Valuation Date.

***Documents available for inspection***

Copies of the following documents will be available for inspection at the offices of Morgan, Lewis & Bockius UK LLP, Condor House, 5-10 St. Paul's Churchyard, London EC4M 8AL and the registered office of the Company, Capita Sinclair Henderson Limited, Beaufort House, 51 New North Road, Exeter, EX4 4EP, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until the conclusion of the last to conclude of the EGM and the Class Meetings, and on the date of each of the EGM and each Class Meeting at the place of the relevant meeting for at least 15 minutes before such meeting until the conclusion of such meeting:

- the current articles of association of the Company;
- a copy of the articles of association as proposed to be amended in order to enable the Proposals to be implemented;
- a copy of the articles of association as proposed to be amended following the implementation of the Proposals; and
- this document.

## APPENDIX 7

### DEFINITIONS

The following definitions apply throughout this document and the Forms of Proxy unless the context requires otherwise.

<b>Admission</b>	the admission of the New Ordinary Shares to the premium segment of the Official List and to trading on the Main Market;
<b>ALN</b>	the subordinated Asset Linked Note due 2027;
<b>ALN Percentage</b>	the percentage of the valuation of the Reference Portfolio at the Valuation Date that is represented by £141,352,975;
<b>Articles</b>	the articles of association of the Company;
<b>Board or Directors</b>	the Board of Directors of the Company (or any duly authorised committee thereof);
<b>Bonus Issue</b>	the proposed bonus issue of one new Deferred Share for each Redeemable Share held on the Record Date, as further described in this document;
<b>Class Meetings</b>	the Ordinary Class Meeting and the Redeemable Class Meeting;
<b>Class Resolution</b>	a resolution put forward at the Redeemable Class Meeting or Ordinary Class Meeting, as applicable;
<b>Company or PIP</b>	Pantheon International Plc;
<b>Consolidation and Redesignation</b>	the proposed consolidation and sub-division of the Redeemable Shares and the Deferred Shares into a single class of shares of 67p each in the capital of the Company, with such shares being designated as Ordinary Shares;
<b>CREST</b>	the paperless settlement system operated by Euroclear UK & Ireland Limited governed by the CREST Regulations and any successor system or operator for the purposes of those Regulations;
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
<b>Deferred Shares</b>	deferred shares of 66p each in the capital of the Company;
<b>Disclosure Guidance and Transparency Rules</b>	the Disclosure Guidance and Transparency Rules published by the FCA (as amended from time to time);
<b>EGM</b>	the extraordinary general meeting of the Company convened to be held on 30 October 2017, notice of which is set out on pages 32 to 37 of this document, or any adjournment thereof;
<b>EGM Resolutions</b>	the resolutions put forward at the EGM;
<b>Expense Charge</b>	a charge for costs associated with the management of the Reference Portfolio calculated on the basis of the value of the Reference Portfolio on the immediately preceding payment date under the ALN at the rate of the total ongoing charges of the Company for a financial period as shown in the Company's most recent annual report and accounts published prior to any payment day under the ALN (and being 1.36 per cent. in respect of the financial period ended on 31 May 2017) multiplied by the ALN Percentage;



<b>FCA</b>	the Financial Conduct Authority of the United Kingdom (or any successor body in respect thereof);
<b>Forms of Proxy</b>	each of: <ul style="list-style-type: none"> <li>(a) the white form of proxy accompanying this document for use by Ordinary Shareholders in connection with the EGM,</li> <li>(b) the yellow form of proxy accompanying this document for use by Redeemable Shareholders in connection with the EGM,</li> <li>(c) the orange form of proxy accompanying this document for use by Ordinary Shareholders in connection with the Ordinary Class Meeting, and</li> <li>(d) the blue form of proxy accompanying this document for use by Redeemable Shareholders in connection with the Redeemable Class Meeting;</li> </ul>
<b>HMRC</b>	Her Majesty's Revenue & Customs, the UK tax authority;
<b>Investor</b>	has the meaning given to that term on page 5;
<b>Listing Rules</b>	the Listing Rules published by the FCA, forming part of the FCA Handbook;
<b>Main Market</b>	the London Stock Exchange's main market for listed securities;
<b>Manager</b>	Pantheon Ventures (UK) LLP, the manager of PIP's portfolio;
<b>Meetings</b>	the EGM and the Class Meetings;
<b>NAV per share</b>	the NAV divided by the number of Ordinary Shares and Redeemable Shares in issue;
<b>NAV</b>	net asset value determined in accordance with the Articles and the accounting policies adopted by the Company;
<b>New Ordinary Shares</b>	the new Ordinary Shares created as a result of the Consolidation and Redesignation;
<b>Note Agreement</b>	the agreement between the Investor and the Company pursuant to which the ALN is constituted;
<b>Noteholder</b>	the holder of the ALN;
<b>Official List</b>	the Official List of the UK Listing Authority;
<b>Ordinary Class Meeting</b>	the separate class meeting of Ordinary Shareholders convened to be held on 30 October 2017, notice of which is set out on pages 38 to 39 of this document, or any adjournment thereof;
<b>Ordinary Shareholders</b>	holders of Ordinary Shares;
<b>Ordinary Shares</b>	ordinary shares of 67p each in the capital of the Company;
<b>Proposals</b>	the proposals as set out in this document relating to the redemption of the Redemption Shares, the issue of the ALN to the Investor, the Bonus Issue, the Consolidation and Redesignation and the related amendments to the Articles;
<b>Record Date</b>	6.00 p.m. on 31 October 2017;

<b>Redeemable Class Meeting</b>	the separate class meeting of Redeemable Shareholders convened to be held on 30 October 2017, notice of which is set out on pages 40 to 42 of this document, or any adjournment thereof;
<b>Redeemable Shareholders</b>	holders of Redeemable Shares;
<b>Redeemable Shares</b>	redeemable shares of 1p each in the capital of the Company;
<b>Redemption</b>	the redemption of the Redemption Shares on the terms envisaged by the Note Agreement and otherwise in accordance with the Articles (as proposed to be amended pursuant to the Resolutions);
<b>Redemption Shares</b>	such number of the Redeemable Shares beneficially owned by the Investor as have a Redemption Value (as such term is defined in the Articles) as at the Valuation Date of £200 million;
<b>Reference Portfolio</b>	the assets to which the ALN is referenced, comprising PIP's interest in over 300 private equity funds, substantially 2006 and earlier vintages, as specified in the Note Agreement;
<b>Registrars</b>	the Company's registrars, Capita Asset Services of PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF;
<b>Relevant Shares</b>	has the meaning given to that term in Appendix 5;
<b>Resolutions</b>	the EGM Resolutions and Class Resolutions;
<b>Shareholders</b>	Ordinary Shareholders and Redeemable Shareholders;
<b>UK Listing Authority or UKLA UK or United Kingdom</b>	the Financial Conduct Authority acting in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000; the United Kingdom of Great Britain and Northern Ireland;
<b>US or United States</b>	the United States of America (including the states of the United States and the District of Colombia), its possession and territories and all areas subject to its jurisdiction;
<b>US Investment Company Act</b>	the US Investment Company Act of 1940, as amended;
<b>US Person</b>	any natural person resident or entity organised in the United States or any entity organised outside the United States by one or more natural persons resident, or entities organised, in the United States for the principal purpose of investing in securities that are not registered in the United States, unless organised and owned solely by accredited institutional investors;
<b>US Securities Act</b>	the US Securities Act of 1933, as amended; and
<b>Valuation Date</b>	the most recent Calculation Date (as such term is defined in the Articles) at the time of redemption.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

# PANTHEON INTERNATIONAL PLC

*(Incorporated in England and Wales with registered number 02147984:  
An investment company within the meaning of section 833 of the Companies Act 2006)*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Pantheon International Plc (the “**Company**”) will be held at 12.00 noon on 30 October 2017 at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH, for the purpose of considering and, if thought fit, passing the following resolutions as special resolutions of the Company:

### SPECIAL RESOLUTIONS

1. That, subject to and conditional upon: (i) the extraordinary resolution set out in the notice dated 6 October 2017 convening a class meeting of holders of ordinary shares of £0.67 each in the capital of the Company (“**Ordinary Shares**”) for 30 October 2017 (the “**Ordinary Class Meeting**”) being passed at the Ordinary Class Meeting or any adjournment thereof; and (ii) the extraordinary resolution set out in the notice dated 6 October 2017 convening a class meeting of holders of redeemable shares of £0.01 each in the capital of the Company (“**Redeemable Shares**”) for 30 October 2017 (the “**Redeemable Class Meeting**”) being passed at the Redeemable Class Meeting or any adjournment thereof; and (iii) Resolution 2 being passed:
  - (a) the articles of association of the Company be amended as follows and the articles of association of the Company as so amended (the “**Stage One Articles**”) shall continue in full force and effect as the articles of association of the Company unless and until further amended (including pursuant to Resolution 2):
    - (i) in the first line of Article 4, after the words “redeemable shares of 1p each”, the following shall be added:

“, or, in the case of Article 4(6) below, the deferred shares of 66p each (“Deferred Shares”),”;
    - (ii) the following shall be added at the end of Article 4(3):

“(provided that, for the purposes of Article 125(b), any sum capitalised by the directors under Article 125(a) may, with the prior sanction or consent of the holders of Ordinary Shares in accordance with Article 12, be appropriated and applied to pay up new Deferred Shares to be allotted to holders of Redeemable Shares only (with the Redeemable Shares ranking *pari passu* with each other for such purposes (ignoring for these purposes any Redeemable Shares held by the Company as Treasury Shares and any Redeemable Shares which are in the process of being redeemed by the Company)) as part of any proposed reorganisation of the share capital of the Company and, for the purposes of Article 125(b), holders of Ordinary Shares shall be treated as not being entitled to any such sum so capitalised, appropriated and applied, nor to be allotted any such Deferred Shares, in such circumstances)”;
    - (iii) in Article 4(4), between the words “Redeemable Shares and holders of Ordinary Shares shall” and the words “be entitled to such assets available for distribution”, the following shall be added:

“, subject to Article 4(6)(a)(iv),”;

(iv) The following shall be added as a new paragraph (6) to Article 4:

“(6) The Deferred Shares shall have the rights, and shall be subject to the restrictions, set out below:

(a) A Deferred Share:

- (i) entitles the holder thereof to a dividend at a fixed rate of 0.001 per cent. of the total nominal amount paid up or credited as paid up on such Deferred Share, which such dividend shall be payable on the date falling six months after the date on which the relevant Deferred Share is issued to the holder of such Deferred Share on the Register at that date, but shall confer no other right to share in the profits of the Company;
- (ii) does not (irrespective of Article 14, which shall not apply to Deferred Shares) entitle its holder to receive a share certificate in respect of the relevant shareholding;
- (iii) does not entitle its holder to receive notice of, or to attend, speak or vote (in person or by proxy) at, any general meeting of the Company;
- (iv) entitles its holder on a return of capital on a winding up of the Company (but not otherwise, and excluding any group reorganisation on a solvent basis) only to the repayment of the nominal capital paid up or credited as paid up on that share after payment of both:
  - (A) the capital paid up on each Ordinary Share and each Redeemable Share, and
  - (B) in relation to each Ordinary Share and each Redeemable Share, a further payment of £1,000,000 on each such share; and
- (v) does not entitle its holder to any further participation in the capital, profits or assets of the Company.

(b) The Deferred Shares shall not be capable of transfer at any time other than as specified below or otherwise with the prior written consent of the directors of the Company.

(c) The Company may at its option and is irrevocably authorised (without the requirement of any consent or sanction of any holder of Deferred Shares or the holders of Deferred Shares as a class) at any time and from time to time after the creation of the Deferred Shares to:

- (i) appoint any person to act on behalf of any or all holder(s) of a Deferred Share(s), without obtaining the sanction of the holder(s), to transfer any or all of the Deferred Shares held by such holder(s) for nil consideration to any person or persons nominated by the directors of the Company;
- (ii) without obtaining the sanction of the holder(s), but subject to the Acts:
  - (A) either to redeem (at the Company's absolute discretion) or purchase any or all of the Deferred Shares then in issue and to appoint any person to act on behalf of all holders of Deferred Shares to transfer and to execute a contract of sale and a transfer of all the Deferred Shares to the Company in either case for an aggregate consideration of one penny payable to one of the holders of Deferred Shares to be selected by lot (who shall not be required to account to the holders of the other Deferred Shares in respect of such consideration); and

- (B) cancel any Deferred Share without making any payment to the holder; and
- (iii) consolidate and or sub-divide the Deferred Shares either as a class or together with any other class or classes of shares in the capital of the Company and designate or redesignate any resulting shares as being shares of any class.
- (d) Any notice of redemption or, as the case may be, offer by the Company to purchase the Deferred Shares may be made by the Directors of the Company depositing at the registered office of the Company a notice addressed to such person as the Directors shall have nominated on behalf of the holders of the Deferred Shares.
- (e) The rights attaching to the Deferred Shares shall not be, or be deemed to be, varied, abrogated or altered by:
  - (i) the creation, allotment or issue of any shares ranking in priority to, or *pari passu* with, the Deferred Shares;
  - (ii) the Company reducing its share capital or share premium account (including any reduction of the nominal value of, or the capital paid or deemed paid up on, the Deferred Shares);
  - (iii) the cancellation of any Deferred Share without any payment to the holder thereof;
  - (iv) the redemption or purchase of any share, whether a Deferred Share or otherwise; or
  - (v) any consolidation or sub-division of any shares in the capital of the Company, including any such consolidation and/or sub-division relating to or involving the Deferred Shares (or any of them), or the designation or redesignation of any resulting shares as being shares of a different class, and so that each holder of Deferred Shares shall be deemed to have irrevocably and unconditionally authorised, and hereby irrevocably and unconditionally authorises and agrees to, any such consolidation and/or sub-division and to the designation or redesignation of any resulting shares as being shares of a different class,

nor by the passing by the members of the Company or any class of members of any resolution, whether in connection with any of the foregoing or for any other purpose, and accordingly no consent thereto or sanction thereof by the holders of the Deferred Shares, or any of them, shall be required.”

- (b) the Directors be and are generally and unconditionally authorised to redeem certain Redeemable Shares beneficially owned by the Investor (as such term is defined in the circular sent to the Company’s shareholders dated 6 October 2017 (the “**Circular**”)) in the manner and for the purposes described in the Circular (the “**Redemption**”), without being obliged to redeem, or make an offer to redeem, Redeemable Shares held by or on behalf of any other person, and that the Redemption be and is hereby approved;
- (c) the Directors be and are generally and unconditionally authorised to issue the ALN (as such term is defined in the Circular) in accordance with the terms of the Note Agreement (as such term is defined in the Circular) and to do such associated acts as are necessary to give effect to the Note Agreement;
- (d) following completion of the Redemption, the Directors be and are authorised to capitalise a sum not exceeding £19,996,372.44 standing to the credit of the Company’s share premium account, and to apply such sum in paying up in full, at par, such number of deferred shares of 66p each in the capital of the Company carrying the rights and restrictions set out in Article 4(6) of the

Stage One Articles (the “**Deferred Shares**”) that may be allotted pursuant to the authority given by sub paragraph (e) below;

- (e) pursuant to section 551 of the Companies Act 2006 (the “**Act**”), the Directors be and are authorised to exercise all powers of the Company to allot and issue, credited as fully paid up, Deferred Shares to the holders of the existing Redeemable Shares on the basis of one Deferred Share for each Redeemable Share held and recorded on the register of members of the Company at 6.00 p.m. on 31 October 2017 (or such other time and/or date as the Directors may determine) (the “**Bonus Issue**”), provided that (i) this authority shall expire at the end of the Company’s next Annual General Meeting after this resolution is passed (or, if earlier, at the close of business on 31 December 2017), (ii) the maximum aggregate nominal amount of shares which may be allotted hereunder shall be £19,996,372.44, and (iii) this authority shall be additional to, and without prejudice to, any other authority under section 551 of the Act previously granted before the date on which this resolution is passed; and
  - (f) subject to, and immediately following, completion of the Bonus Issue, all of the outstanding Redeemable Shares and all of the Deferred Shares then in issue be consolidated and sub-divided into shares of 67p each, with such new shares being designated as Ordinary Shares, and with such resulting Ordinary Shares ranking *pari passu* in all respects (including as to dividends) with the existing issued Ordinary Shares of the Company.
2. THAT, subject to and conditional on the passing of Resolution 1 above and the implementation of the proposals contemplated by Resolution 1, the Stage One Articles be amended as follows, and the articles of association of the Company as so amended shall continue thereafter in full force and effect as the articles of association of the Company:
- (a) Article 4 shall be deleted in its entirety, and replaced with a new Article 4 which reads as follows:

“The following provisions shall apply in relation to the calculation and publication by the Company of the Net Asset Value per Share:

    - (1) As soon as practicable following each Calculation Date the directors shall calculate and publish the Net Asset Value per Share as at such Calculation Date.
    - (2) In this Article 4, the following expressions shall have the following meanings:

“**business day**” means a day which is not a Saturday, Sunday or a public holiday in England;

“**Calculation Date**” means the last day of February, 31 May, 31 August and 30 November in each year (or, if such date is not a business day, the preceding business day) and any other business day which the directors determine is to be a day as at which the Net Asset Value per Share is to be calculated;

“**Net Asset Value per Share**” means the net assets of the Company, after deducting minority interests, non-equity interests and debt, valued in accordance with the normal accounting policies of the Company divided by the number of Ordinary Shares for the time being in issue (but excluding any Ordinary Shares held as Treasury Shares) and adjusted to take into account the dilutive effect of any outstanding warrants, options or other rights to subscribe for or convert into Ordinary Shares by assuming, where the net asset value per Share prior to such adjustment is greater than the exercise price or conversion price of any such subscription or conversion rights, that the number of Ordinary Shares in issue is increased by the number that would be issued on exercise in full of such rights and that the net assets of the Company are increased by the value of the aggregate exercise price or conversion price payable on such exercise;

“**Ordinary Shares**” means ordinary shares of 67p each in the share capital of the Company; and

**“Treasury Shares”** means Ordinary Shares held by the Company as treasury shares within the meaning of the Acts.”

(b) The following sentence shall be inserted at the end of Article 72:

“For the purposes of calculating any period referred to in this Article 72, no account shall be taken of any day or part of a day that is not a working day.”.

Dated 6 October 2017

Registered office: Beaufort House, 51 New North Road, Exeter EX4 4EP

By order of the Board

## **CAPITA SINCLAIR HENDERSON LIMITED**

*Company Secretary*

### **Notes:**

1. A holder of Ordinary Shares of £0.67 each in the capital of the Company (**“Ordinary Shares”**) is entitled to attend and vote at this meeting or to appoint one or more proxies to attend and vote in his or her place. A proxy need not also be a member of the Company. A white form of proxy for holders of Ordinary Shares is provided with this notice. Lodgement of the form of proxy will not preclude a holder of Ordinary Shares from attending the meeting and voting in person if he/she so wishes.
2. A holder of Redeemable Shares of £0.01 each in the capital of the Company (**“Redeemable Shares”**) is entitled to attend this meeting, but not to speak at the meeting or to vote on the resolution, or may appoint a proxy to attend in his or her place. A proxy need not also be a member of the Company. A yellow form of proxy for holders of Redeemable Shares is provided with this notice.
3. To be valid a form of proxy, together with the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, must be lodged with the Company's registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, so as to be received no later than 48 hours before the time of the meeting or any adjournment thereof. The termination of the authority of a person to act as proxy must be notified to the Company's registrar in writing before the commencement of the meeting, or any adjournment thereof. Amended instructions must be received by the Company's registrar by the deadline for receipt of proxies.
4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, has specified that only those shareholders registered on the Register of Members of the Company as at close of business on 27 October 2017 (or in the event that the meeting is adjourned, only those shareholders registered on the Register of Members of the Company as at close of business on the day which is two days prior to the adjourned meeting (weekends and bank holidays excluded)) shall be allowed to attend the meeting and, in respect of voting rights, shall be entitled to vote in person or by proxy at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after the specified time shall be disregarded in determining the rights of any person to attend or vote at the meeting or, if adjourned, at the adjourned meeting.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **“CREST Proxy Instruction”**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID RA10) by the latest time for receipt of proxy appointments specified in Note 3 above.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.



The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

6. Upon a show of hands, every Ordinary Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative who is not himself an Ordinary Shareholder entitled to vote shall have one vote, and on a poll every Ordinary Shareholder present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for every Ordinary Share held by him or her.
7. Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office.
8. In accordance with Section 319A of the Companies Act 2006, the Company must cause any question relating to the business being dealt with at the meeting put by a member attending the meeting to be answered. No such answer need be given if to do so would: (i) interfere unduly with the preparation for the meeting, or (ii) involve the disclosure of confidential information, or (iii) if the answer has already been given on a website in the form of an answer to a question; or (iv) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
9. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the extraordinary general meeting.

If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in Notes 1 to 5 above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.

10. As at 4 October 2017 (being the latest practicable date prior to the publication of this notice) the Company's issued voting share capital and total voting rights amounted to 33,062,013 Ordinary Shares carrying one vote each. As at such date, the Company's issued non-voting share capital amounted to 30,297,534 Redeemable Shares.
11. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.
12. This notice of a general meeting of the Company, the total numbers of shares in the Company, and the shares of each class in respect of which members are entitled to exercise voting rights at the meeting, the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website: [www.piplc.com](http://www.piplc.com).

## NOTICE OF CLASS MEETING OF ORDINARY SHAREHOLDERS

# PANTHEON INTERNATIONAL PLC

*(Incorporated in England and Wales with registered number 02147984:  
an investment company within the meaning of section 833 of the Companies Act 2006)*

## NOTICE OF CLASS MEETING OF HOLDERS OF ORDINARY SHARES

NOTICE IS HEREBY GIVEN that a Class Meeting of the holders of ordinary shares of £0.67 each in the capital of Pantheon International Plc (the “**Company**”) will be held at 12.15 p.m. on 30 October 2017 (or as soon thereafter as the Extraordinary General Meeting of the Company convened for 12.00 noon on such date is concluded or adjourned) at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an Extraordinary Resolution.

### EXTRAORDINARY RESOLUTION

THAT the holders of the ordinary shares of £0.67 each in the capital of the Company (the “**Ordinary Shares**”) hereby sanction and consent to:

- (a) the passing and implementation of the special resolutions set out in the notice dated 6 October 2017 convening an Extraordinary General Meeting of the Company for 30 October 2017 (the “**EGM Notice**”), and sanction and consent to each and every variation, modification or abrogation of the rights or privileges attaching to the Ordinary Shares, in each case which is or may be effected by or involved in or result from the passing of the said resolutions, the implementation of the amendments to the articles of association of the Company proposed by the said resolutions, the exercise of the discretions, rights, powers and/or authorities conferred by such amendments to the articles of association of the Company and/or the implementation of the Proposals (as such term is defined in the Circular sent to the shareholders of the Company dated 6 October 2017 to which the EGM Notice was attached (the “**Circular**”)); and
- (b) without prejudice to the generality of the foregoing, the proposed bonus issue of new deferred shares of 66p each in the capital of the Company to holders of redeemable shares of 1p each in the capital of the Company (as referred to in the EGM Notice and as further described in the Circular) without any similar bonus issue of deferred shares of 66p each being made to holders of Ordinary Shares.

Dated 6 October 2017

Registered office: Beaufort House, 51 New North Road, Exeter EX4 4EP

By order of the Board

### CAPITA SINCLAIR HENDERSON LIMITED

*Company Secretary*

#### Notes:

- 1. Only holders of Ordinary Shares of £0.67 each in the capital of the Company (“**Ordinary Shares**”) are entitled to vote at this separate class meeting. To be effective, the proposed resolution must be passed by a majority of at least three-quarters of the holders of Ordinary Shares who, being entitled to vote, do so in person or by proxy at the class meeting.
- 2. A holder of Ordinary Shares (an “**Ordinary Shareholder**”) entitled to attend this class meeting may attend the meeting in person or may appoint one or more persons as his/her proxy to attend and, on a poll, to vote on his/her behalf. A proxy need not be a member of the Company. An orange form of proxy for Ordinary Shareholders is provided with this notice. The appointment of a proxy will not prevent an Ordinary Shareholder from attending and voting at the class meeting in person if he/she so wishes.

3. To be valid, a form of proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, should be lodged at the office of the Company's registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, so as to be received no later than 48 hours before the time of the class meeting or any adjournment thereof. The termination of the authority of a person to act as proxy must be notified to the Company's registrar in writing before the commencement of the meeting, or any adjournment thereof. Amended instructions must be received by the Company's registrar by the deadline for receipt of proxies.
4. Only those Ordinary Shareholders registered on the Register of Members of the Company as at close of business on 27 October 2017 (or in the event that the class meeting is adjourned, only those Ordinary Shareholders registered on the Register of Members of the Company as at close of business on the day which is two days prior to the adjourned meeting (weekends and bank holidays excluded)) shall be entitled to attend and vote in person or by proxy at the class meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after the specified time shall be disregarded in determining the rights of any person to attend or vote at the class meeting or, if adjourned, at the adjourned meeting.
5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this class meeting by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID RA10) by the latest time for receipt of proxy appointments specified in Note 3 above.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

6. Upon a show of hands, every Ordinary Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative who is not himself an Ordinary Shareholder entitled to vote shall have one vote, and on a poll every Ordinary Shareholder present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for every Ordinary Share held by him or her.
7. Any question relevant to the business of the class meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office.
8. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a **"Nominated Person"**) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the class meeting.  
If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in Notes 1 to 5 above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.
9. As at 4 October 2017 (being the latest practicable date prior to the publication of this notice) the Company's issued Ordinary Shares amounted to 33,062,013 shares of which nil were held in treasury and, accordingly, as at such date the total number of Ordinary Shares in relation to which voting rights may be exercised at the class meeting is 33,062,013.
10. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

## NOTICE OF CLASS MEETING OF REDEEMABLE SHAREHOLDERS

# PANTHEON INTERNATIONAL PLC

*(Incorporated in England and Wales with registered number 02147984:  
an investment company within the meaning of section 833 of the Companies Act 2006)*

## NOTICE OF CLASS MEETING OF HOLDERS OF REDEEMABLE SHARES

NOTICE IS HEREBY GIVEN that a Class Meeting of the holders of redeemable shares of £0.01 each in the capital of Pantheon International Plc (the “**Company**”) will be held at 12.30 p.m. on 30 October 2017 (or as soon thereafter as the class meeting of the holders of ordinary shares of £0.67 each in the capital of the Company convened for 12.15 p.m. on such date is concluded or adjourned) at The British Academy, 10-11 Carlton House Terrace, London, SW1Y 5AH for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an Extraordinary Resolution.

### EXTRAORDINARY RESOLUTION

THAT the holders of the redeemable shares of £0.01 each in the capital of the Company (the “**Redeemable Shares**”) hereby sanction and consent to:

- (a) the passing and implementation of the special resolutions set out in the notice dated 6 October 2017 convening an Extraordinary General Meeting of the Company for 30 October 2017 (the “**EGM Notice**”), and sanction and consent to each and every variation, modification or abrogation of the rights or privileges attaching to the Redeemable Shares, in each case which is or may be effected by or involved in or result from the passing of the said resolutions, the implementation of the amendments to the articles of association of the Company (the “**Articles**”) proposed by the said resolutions, the exercise of the discretions, rights, powers and/or authorities conferred by such amendments to the Articles, and/or the implementation of the Proposals (as such term is defined in the Circular sent to the shareholders of the Company dated 6 October 2017 to which the EGM Notice was attached (the “**Circular**”)); and
- (b) without prejudice to the generality of the foregoing, the following matters (such consent and sanction being given both generally and for the purposes of Article 4(2)(b) of the Articles):
  - (i) the proposed amendments to the Articles set out in the special resolutions set out in the EGM Notice;
  - (ii) the proposed bonus issue of new deferred shares of 66p each in the capital of the Company (“**Deferred Shares**”) to holders of Redeemable Shares (as referred to in the EGM Notice and as further described in the Circular); and
  - (iii) the proposed consolidation and sub-division of the Redeemable Shares and the Deferred Shares into new shares of 67p and the designation of such new shares as ordinary shares of 67p each in the capital of the Company (as referred to in the EGM Notice and as further described in the Circular).

Dated 6 October 2017

Registered office: Beaufort House, 51 New North Road, Exeter EX4 4EP

By order of the Board

**CAPITA SINCLAIR HENDERSON LIMITED**

*Company Secretary*

## Notes:

1. Only holders of redeemable shares of £0.01 each in the capital of the Company ("**Redeemable Shares**") are, subject to Note 11 below, entitled to vote at this separate class meeting. To be effective, the proposed resolution must be passed by a majority of at least three-quarters of the holders of Redeemable Shares who, being entitled to vote, do so in person or by proxy at the meeting.
2. A holder of Redeemable Shares (a "**Redeemable Shareholder**") entitled to attend this class meeting may attend the meeting in person or may appoint one or more persons as his/her proxy to attend and, on a poll, to vote on his/ her behalf. A proxy need not be a member of the Company. A blue form of proxy for Redeemable Shareholders is provided with this notice. The appointment of a proxy will not prevent a Redeemable Shareholder from attending and voting at the class meeting in person if he/she so wishes.
3. To be valid, a form of proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, should be lodged at the office of the Company's registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, so as to be received no later than 48 hours before the time of the class meeting or any adjournment thereof. The termination of the authority of a person to act as proxy must be notified to the Company's registrar in writing before the commencement of the meeting, or any adjournment thereof. Amended instructions must be received by the Company's registrar by the deadline for receipt of proxies.
4. Only those Redeemable Shareholders registered on the Register of Members of the Company as at close of business on 27 October 2017 (or in the event that the class meeting is adjourned, only those Redeemable Shareholders registered on the Register of Members of the Company as at close of business on the day which is two days prior to the adjourned meeting (weekends and bank holidays excluded)) shall be entitled to attend and vote in person or by proxy at the class meeting in respect of the number of Redeemable Shares registered in their name at that time. Changes to entries on the Register of Members after the specified time shall be disregarded in determining the rights of any person to attend or vote at the class meeting or, if adjourned, at the adjourned meeting.
5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this class meeting by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID RA10) by the latest time for receipt of proxy appointments specified in Note 3 above.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

6. Subject to Note 11 below, upon a show of hands, every Redeemable Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative who is not himself a Redeemable Shareholder entitled to vote shall have one vote, and on a poll every Redeemable Shareholder present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for every Redeemable Share held by him or her.
7. Any question relevant to the business of the class meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office.
8. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the class meeting.  
If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in Notes 1 to 5 above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.
9. As at 4 October 2017 (being the latest practicable date prior to the publication of this notice) the Company's issued Redeemable Shares amounted to 30,297,534 shares of which nil were held in treasury and, accordingly, as at such date the total number of Redeemable Shares in relation to which voting rights may be exercised at the class meeting is 30,297,534.
10. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

11. The attention of holders of Redeemable Shares is drawn to the notice in Appendix 5 of the Circular. Holders of Redeemable Shares who are US Persons or who hold Redeemable Shares for or on behalf of a US Person have been, or will be, served with a Relevant Share Notice under Article 40A of the Articles, and accordingly are not entitled to attend or vote at this class meeting in respect of the Redeemable Shares to which that notice relates. Any holder of Redeemable Shares who seeks to attend the class meeting and who does not make the declaration referred to in Appendix 5 of the Circular shall not be entitled to attend or vote at the class meeting. In addition, a Redeemable Shareholder who returns the blue form of proxy provided with this notice having completed the box in the form of proxy to indicate that the shareholder is unable to make the declaration set out in the form of proxy confirming that the shareholder is not a US Person and that the Redeemable Shares to which the form of proxy relates are not held for or on behalf of a US Person shall not be entitled to attend or vote at the class meeting. For this purpose, "US Person" means any natural person resident or entity organised in the United States of America (the "United States") or any entity organised outside the United States by one or more natural persons resident, or entities organised, in the United States for the principal purpose of investing in securities that are not registered in the United States, unless organised and owned solely by accredited institutional investors.

